

Presentment Date and Time: August 2, 2010 at 12:00 p.m. (Prevailing Eastern Time)

Objection Deadline: August 2, 2010 at 11:00 a.m. (Prevailing Eastern Time)

Hearing Date and Time (If an Objection is Filed): August 18, 2010 at 10:00 a.m. (Prevailing Eastern Time)

WEIL, GOTSHAL & MANGES LLP
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Richard P. Krasnow

Attorneys for Debtors
and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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	:
In re	:
	:
LEHMAN BROTHERS HOLDINGS INC., et al.,	:
	:
Debtors.	:
	:
-----X	

**NOTICE OF PRESENTMENT OF APPLICATION OF
THE DEBTORS PURSUANT TO SECTION 327(e) OF THE
BANKRUPTCY CODE AND RULE 2014(a) OF THE FEDERAL
RULES OF BANKRUPTCY PROCEDURE FOR AUTHORIZATION TO
EMPLOY AND RETAIN PAUL, HASTINGS, JANOFSKY & WALKER LLP, AS
SPECIAL COUNSEL TO THE DEBTORS, NUNC PRO TUNC TO MARCH 1, 2010**

PLEASE TAKE NOTICE that the undersigned will present the annexed Application (the “Application”) of Lehman Brothers Holdings Inc. and its affiliated debtors in the above-referenced chapter 11 cases, as debtors and debtors in possession (together, the “Debtors”), pursuant to section 327(e) of title 11 of the United States Code, Rule 2014(a) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rule 2014-1 of the Local Bankruptcy Rules for the Southern District of New York (the “Local Rules”), to employ and retain Paul, Hastings, Janofsky & Walker LLP as special counsel to the Debtors, effective *nunc pro tunc* to March 1, 2010, all as more fully described in the Application, to the Honorable James

M. Peck, United States Bankruptcy Judge, for approval and signature on **August 2, 2010 at 12:00 p.m. (Prevailing Eastern Time)**.

PLEASE TAKE FURTHER NOTICE that objections to the Application, if any, shall be in writing, shall conform to the Bankruptcy Rules and the Local Rules of the Bankruptcy Court for the Southern District of New York, shall set forth the name of the objecting party, the basis for the objection and the specific grounds thereof, shall be filed with the Bankruptcy Court electronically in accordance with General Order M-242 (which can be found at www.nysb.uscourts.gov) by registered users of the Bankruptcy Court's case filing system and by all other parties in interest, on a 3.5 inch disk, preferably in Portable Document Format (PDF), WordPerfect, or any other Windows-based word processing format (with two hard copies delivered directly to Chambers), and shall be served upon: (i) the chambers of the Honorable James M. Peck, One Bowling Green, New York, New York, 10004, Courtroom 601; (ii) Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York, 10153, Attn: Richard P. Krasnow, Esq., attorneys for the Debtors; (iii) the Office of the United States Trustee for the Southern District of New York, 33 Whitehall Street, 21st Floor, New York, New York, 10004, Attn: Andy Velez-Rivera, Esq., Paul Schwartzberg, Esq., Brian Masumoto, Esq., Linda Riffkin, Esq., and Tracy Hope Davis, Esq.; (iv) Milbank, Tweed, Hadley & McCloy LLP, 1 Chase Manhattan Plaza, New York, New York, 10005, Attn: Dennis F. Dunne, Esq., Dennis O'Donnell, Esq., and Evan Fleck, Esq., attorneys for the Official Committee of Unsecured Creditors appointed in these cases; and (v) Paul, Hastings, Janofsky & Walker LLP, 515 S. Flower Street, 25th Floor, Los Angeles, CA 90071, Attn: Katherine A. Traxler, Esq., **so as to be so filed and received by no later than August 2, 2010 at 11:00 a.m. (Prevailing Eastern Time)** (the "Objection Deadline").

PLEASE TAKE FURTHER NOTICE that only if a written objection is timely filed and served, a hearing will be held on **August 18, 2010 at 10:00 a.m. (Prevailing Eastern Time)** at the United States Bankruptcy Court for the Southern District of New York, Honorable James M. Peck, United States Bankruptcy Judge, One Bowling Green, New York, New York 10004-1408. If an objection is filed the moving and objecting parties are required to attend the hearing, and failure to appear may result in relief being granted or denied upon default.

Dated: July 23, 2010
New York, New York

/s/ Richard P. Krasnow
Richard P. Krasnow
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Attorneys for Debtors
and Debtors in Possession

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and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X	
In re	: Chapter 11 Case No.
	:
LEHMAN BROTHERS HOLDINGS INC., <i>et al.</i> ,	: 08-13555 (JMP)
	:
Debtors.	: (Jointly Administered)
	:
-----X	

**APPLICATION OF THE DEBTORS
PURSUANT TO SECTION 327(e) OF THE
BANKRUPTCY CODE AND RULE 2014(a) OF THE FEDERAL
RULES OF BANKRUPTCY PROCEDURE FOR AUTHORIZATION TO
EMPLOY AND RETAIN PAUL, HASTINGS, JANOFSKY & WALKER LLP, AS
SPECIAL COUNSEL TO THE DEBTORS, NUNC PRO TUNC TO MARCH 1, 2010**

TO THE HONORABLE JAMES M. PECK
UNITED STATES BANKRUPTCY JUDGE:

Lehman Brothers Holdings Inc. (“LBHI”) and its affiliated debtors in the above-referenced chapter 11 cases, as debtors and debtors in possession (together, the “Debtors” and, collectively with their non-debtor affiliates, “Lehman”), file this application (the “Application”) and respectfully represent:

Background

1. Commencing on September 15, 2008 and periodically thereafter (as applicable, the “Commencement Date”), LBHI and certain of its subsidiaries commenced with

this Court voluntary cases under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”). The Debtors’ chapter 11 cases have been consolidated for procedural purposes only and are being jointly administered pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

2. On September 17, 2008, the United States Trustee for the Southern District of New York (the “U.S. Trustee”) appointed the statutory committee of unsecured creditors pursuant to section 1102 of the Bankruptcy Code (the “Creditors’ Committee”).

3. On September 19, 2008, a proceeding was commenced under the Securities Investor Protection Act of 1970 (“SIPA”) with respect to Lehman Brothers Inc. (“LBI”). A trustee appointed under SIPA is administering LBI’s estate.

4. On January 19, 2009, the U.S. Trustee appointed Anton R. Valukas as examiner in the above-captioned chapter 11 cases (the “Examiner”) and by order dated January 20, 2009 [Docket No. 2583] the Court approved the U.S. Trustee’s appointment of the Examiner. The Examiner issued a report of his investigation pursuant to section 1106 of the Bankruptcy Code on March 11, 2010 [Docket No. 7531].

5. On April 14, 2010, the Debtors filed a revised joint chapter 11 plan and disclosure statement [Docket Nos. 8330 and 8332].

Jurisdiction

6. This Court has subject matter jurisdiction to consider and determine this matter pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b).

Lehman's Business

7. Prior to the events leading up to these chapter 11 cases, Lehman was the fourth largest investment bank in the United States. For more than 150 years, Lehman had been a leader in the global financial markets by serving the financial needs of corporations, governmental units, institutional clients, and individuals worldwide.

8. Additional information regarding the Debtors' businesses, capital structures, and the circumstances leading to the commencement of these chapter 11 cases is contained in the Affidavit of Ian T. Lowitt Pursuant to Rule 1007-2 of the Local Bankruptcy Rules for the Southern District of New York in Support of First-Day Motions and Applications, filed on September 15, 2008 [Docket No. 2].

Relief Requested

9. By this Application, the Debtors request authorization, pursuant to section 327(e) of the Bankruptcy Code, Rule 2014(a) of the Bankruptcy Rules, and Rule 2014-1 of the Local Bankruptcy Rules for the Southern District of New York (the "Local Rules"), to employ Paul, Hastings, Janofsky & Walker LLP ("Paul Hastings" or the "Firm") as special counsel to the Debtors, effective *nunc pro tunc* to March 1, 2010. In addition to the matters for which Paul Hastings has historically provided services (and continues to provide services) to the Debtors during the pendency of these cases, including (a) asset management and liquidation activities with respect to loans and other assets, and (b) the negotiation of commercial real estate lease transactions, such as subleases, assignments, and amendments to existing leases, (the "OCP Matters"). The Debtors have requested that Paul Hastings also represent them in (a) mediation and mediation related services in connection with various derivative trades between the Debtors and other entities, (b) litigation and litigation related services in connection with various derivative trades between the Debtors and other entities, (c) pre- and post-litigation work and

other litigation and dispute resolution services in connection with various derivative trades between the Debtors and other entities, in connection with those derivatives matters where Weil, Gotshal & Manges LLP and Jones Day have conflicts, and (d) such other real estate and litigation related issues and services as may be assigned by the Debtors (together with the OCP Matters, the “Representative Matters”).

Paul Hastings as an Ordinary Course Professional

10. Paul Hastings has previously been performing legal services on behalf of the Debtors as a professional utilized in the ordinary course of business (“Ordinary Course Professional”) in these chapter 11 cases pursuant to this Court’s Order Pursuant to Sections 105(a), 327, 328, and 330 of the Bankruptcy Code Authorizing the Debtors to Employ Professionals Utilized in the Ordinary Course of Business, dated November 5, 2008 [Docket No. 1394] (the “OCP Order”). On October 31, 2008, the Debtors submitted the Notice of Second Amendment to the List of Ordinary Course Professionals (the “Second Amendment”) [Docket No. 1326]. The Debtors included Paul Hastings in the Second Amendment as “Litigation and Real Estate Counsel.”

11. On December 29, 2008, Paul Hastings submitted (a) the Affidavit and Disclosure Statement of Kenneth J. Friedman (the “Initial Affidavit”) and (b) the Retention Questionnaire [Docket No. 2407]. On May 21, 2009, the Debtors filed the “First Supplemental Affidavit and Disclosure Statement of Kenneth J. Friedman on Behalf of Paul, Hastings, Janofsky & Walker LLP” (the “First Supplemental Affidavit”) [Docket No. 3631]. On September 14, 2009, Paul Hastings submitted the “Second Supplemental Affidavit and Disclosure Statement Pursuant to the Order Authorizing the Debtors to Employ Professionals Utilized in the Ordinary Course of Business” (the “Second Supplemental Affidavit”) [Docket

No. 5133]. The Initial Affidavit, the First Supplemental Affidavit, and the Second Supplemental Affidavit are collectively referred to herein as the “OCP Affidavits”.

12. In support of this Application, Paul Hastings has submitted the Affidavit of Robert M. Keane, Jr. (the “Keane Affidavit”). The Keane Affidavit and the OCP Affidavits are collectively referred to herein as the “Affidavits” and are incorporated herein by this reference.

13. The OCP Order authorizes the Debtors to pay compensation to and reimburse the expenses of Ordinary Course Professionals in the full amount billed by each such Ordinary Course Professional “upon receipt of reasonably detailed invoices indicating the nature of the services rendered and calculated in accordance with such professional’s standard billing practices.” In accordance with the OCP Order, Paul Hastings provided services to the Debtors and was or will be compensated for those services upon the presentation of detailed invoices indicating the nature of the services rendered, which were calculated in accordance with Paul Hastings’ standard billing practices.

14. The OCP Order further provides that “payment to any one Ordinary Course Professional shall not exceed \$1 million for the period prior to the conversion of, dismissal of, or entry of a confirmation in these chapter 11 cases (the ‘Chapter 11 Period’)” and that “in the event payment to any Ordinary Course Professional exceeds \$1 million during the Chapter 11 Period, such Ordinary Course Professional shall be required to file a retention application to be retained as a professional pursuant to sections 327 and 328 of the Bankruptcy Code. . . .” Paul Hastings has determined that it has reached and exceeded the \$1 million compensation cap for Ordinary Course Professionals during the “Chapter 11 Period” (the “OCP Cap”) with its March 2010 fees. As of March 31, 2010, Paul Hastings had incurred fees and

expenses totaling approximately \$1,123,000 in these cases. Accordingly, the Debtors now seek to retain Paul Hastings as special counsel in accordance with the OCP Order and pursuant to section 327(e) of the Bankruptcy Code. All fees and expenses paid to Paul Hastings by the Debtors (as opposed to non-Debtor entities) in excess of \$1 million will be subject to the Court's review and approval.

Scope of Services to be Provided

15. Subject to further order of this Court, it is proposed that Paul Hastings be employed to advise the Debtors solely in connection with the Representative Matters.

16. Furthermore, the Debtors request that Paul Hastings' retention be made effective *nunc pro tunc* to March 1, 2010 to ensure that Paul Hastings is compensated for all of its services to the Debtors. Establishing March 1, 2010 as the date of Paul Hastings' retention as special counsel in these cases will enable Paul Hastings to smoothly transition its billing practices and procedures from its prior retention as an Ordinary Course Professional and will enable Paul Hastings to be compensated for all of its services rendered to the Debtors which provided value to the Debtors' estates. The Debtors submit that the circumstances of Paul Hastings' initial retention as an Ordinary Course Professional, effective as of the Commencement Date, and the compensation provisions under the OCP Order warrant retroactive approval of Paul Hastings as special counsel, particularly because Paul Hastings provided necessary services to the Debtors and such services are of value to the estate and all parties in interest. *See In re Hasset, Ltd.*, 283 B.R. 376, 379 (Bankr. E.D.N.Y. 2002) (approving *nunc pro tunc* retention application and recognizing that "*nunc pro tunc* applications are disfavored in this Circuit but have been permitted when the attorney performs services of 'value' to the estate") (internal citations omitted); *see also In re Jarvis*, 53 F.3d 416 (1st Cir. 1995) (finding that a bankruptcy court may grant a *post facto* application if employment meets statutory requirements

and delay results from extraordinary circumstances); *Matter of Arkansas Co. Inc.*, 798 F.2d. 645 (3d Cir. 1986) (opining that bankruptcy courts have discretion in extraordinary circumstances to retroactively approve a professional's employment). Paul Hastings has been diligently preparing these application materials and performing the conflicts checks necessary to make the disclosures required by the Bankruptcy Rules since it learned that its fees and expenses would exceed \$1 million. However, due to the extraordinary circumstances of the size of the Debtors' cases and the vast number of potentially interested parties, it has taken Paul Hastings until the date hereof to complete its conflicts checks and preparation of these application materials.

Payment of Paul Hastings' Fees and Expenses

17. The Debtors propose to pay Paul Hastings its customary hourly rates for services rendered that are in effect from time to time, as set forth in the Keane Affidavit, and to reimburse Paul Hastings according to its customary reimbursement policies, in accordance with sections 330(a) and 331 of the Bankruptcy Code, and respectfully submit that such rates are reasonable.

18. Paul Hastings' hourly rates are set at a level designed to compensate it fairly for the work of its attorneys and paraprofessionals and to cover fixed and routine overhead expenses. Hourly rates vary with the experience and seniority of the individuals assigned and may be adjusted by Paul Hastings from time to time.

19. Paul Hastings has informed the Debtors that the current hourly billing rates for Paul Hastings' professionals in the United States range from \$640 to \$990 for partners and counsel, \$345 to \$715 for associates, and \$115 to \$460 for paraprofessionals.¹ The current hourly billing rates for Paul Hastings professionals in London range from \$779 to \$983 for

¹ The Firm has one exception to this rate structure. Paul Hastings charges \$1025 per hour for an attorney, who specializes in intellectual property and patent litigation, in the Firm's Palo Alto office. According to the Keane Affidavit, that attorney will not work on the Representative Matters.

partners and counsel, \$310 to \$817 for associates, and \$151 to \$303 for paraprofessionals. These London rates are based on the exchange rate applicable on July 1, 2010. The London rates will vary depending on the exchange rate in effect on the date of the invoice. The Debtors respectfully submit that such rates are reasonable and comparable to the rates other firms charge for similar services.²

20. The Debtors understand that in connection with the reimbursement of reasonable and necessary expenses, it is Paul Hastings' policy to charge its clients for expenses incurred in connection with providing certain client services, including, without limitation, travel, lodging, photocopying, postage, vendor charges, long distance and other telephone charges, delivery service, and other expenses incurred in providing professional services.

21. All of Paul Hastings' fees and expenses incurred during these chapter 11 cases on or after March 1, 2010,³ will be subject to approval of the Court upon proper application by Paul Hastings in accordance with sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and the guidelines promulgated by the U.S. Trustee, as those procedures may be modified or supplemented by order of this Court, including this Court's Third Amended Order Pursuant to Sections 105(a) and 331 of the Bankruptcy Code and Bankruptcy Rule 2016(a) Establishing Procedures for Interim Monthly Compensation and Reimbursement of Expenses of Professionals [Docket No. 4165] and this Court's Order Appointing Fee Committee and Approving Fee Protocol [Docket No. 3651].

² Such hourly rates may change from time to time in accordance with Paul Hastings' established billing practices and procedures.

³ The Debtors intend to pay Paul Hastings for its services rendered and expenses incurred prior to March 1, 2010, in accordance with the OCP Order.

22. In order to minimize costs, Paul Hastings is prepared to work closely with the Debtors and each of their other retained professionals to clearly delineate the professionals' respective duties so as to prevent unnecessary duplication of services whenever possible.

Basis for Relief

23. The retention of Paul Hastings under the terms described herein is appropriate under Bankruptcy Code sections 327(e) and 1107. Section 327(e) provides for the appointment of special counsel where the proposed counsel does not possess any interest that is materially adverse to the debtor with regard to the matter(s) that will be handled by counsel.

Section 327(e) provides:

The trustee, with the court's approval, may employ, for a specified special purpose, other than to represent the trustee in conducting the case, an attorney that has represented the debtor, if in the best interest of the estate, and if such attorney does not represent or hold any interest adverse to the debtor or to the estate with respect to the matter on which such attorney is to be employed.

Moreover, section 1107(b) provides that "a person is not disqualified for employment under section 327 of this title by a debtor in possession solely because of such person's employment by or representation of the debtor before the commencement of the case."

24. Accordingly, section 327(e) of the Bankruptcy Code authorizes the retention of counsel who previously represented a debtor prepetition provided that: (a) the appointment is in the best interest of the debtor's estate; (b) counsel does not hold an interest adverse to the estate with respect to the matter for which counsel is to be employed; and (c) the specified special purpose for which counsel is being retained does not rise to the level of conducting the bankruptcy case for the debtor in possession. *See In re AroChem Corp.*, 176 F.3d 610, 622 (2d Cir. 1999) (noting that "where the interest of the special counsel and the interest of the estate are identical *with respect to the matter for which special counsel is retained*,

there is no conflict and the representation can stand”) (emphasis in original); *In re DeVlieg, Inc.*, 174 B.R. 497 (N.D. Ill. 1994). As explained more fully below, the Debtors submit that each of these factors is satisfied with respect to Paul Hastings and that, therefore, its retention should be approved under section 327(e) of the Bankruptcy Code.

**A. The Employment and Retention of
Paul Hastings is in the Best Interests of the Estates**

25. As described more fully in the Keane Affidavit, the Debtors retained Paul Hastings with respect to certain real estate and litigation matters pursuant to the procedures set forth in the OCP Order. The Debtors believe that the attorneys at Paul Hastings are uniquely qualified and experienced to represent the Debtors as special counsel. Before the commencement of these chapter 11 cases, the Debtors selected Paul Hastings to advise the Debtors on and to prepare for certain real estate and litigation matters. As a result, Paul Hastings is intimately familiar with the facts and circumstances surrounding the OCP Matters, for which the Debtors request continued service. Pertaining to the OCP Matters, the interruption and the duplicative cost involved in obtaining substitute counsel to replace Paul Hastings with respect to advising the Debtors, at this juncture, would be extremely harmful to the Debtors, their estates, and their creditors. The Debtors believe that the continued employment of Paul Hastings as special counsel for the Debtors will enable the Debtors to avoid the unnecessary expense otherwise attendant in having another law firm familiarize itself with the OCP Matters.

26. Accordingly, the Debtors respectfully submit that Paul Hastings is well-qualified and uniquely able to provide the specialized legal advice sought by the Debtors on a going-forward basis in connection with the Representative Matters, in an efficient and effective

manner. The Debtors further submit that Paul Hastings' retention as special counsel is in the best interest of the Debtors and their estates.

B. Paul Hastings Holds No Interest Adverse to the Debtors or the Debtors' Estates With Respect to the Representative Matters

27. To the best of the Debtors' knowledge, and except as may be set forth in the Affidavits, Paul Hastings does not represent or hold any interest adverse to the Debtors or their estates with respect to the matters as to which Paul Hastings is to be employed.

28. In October 2009, certain attorneys in Paul Hastings' New York office were requested to represent Anchorage Advisors, L.L.C. ("Anchorage") and Carval Investors ("Carval") as creditors adverse to LBHI, Lehman Commercial Paper, Inc. ("LCPI"), and/or Lehman Brothers Bankhaus Aktiengesellschaft. Paul Hastings is engaged to represent LBHI and LCPI in connection with the Representative Matters. This representation is unrelated to the matters on which the Debtors have engaged Paul Hastings. The Debtors have provided consent and conflict waiver to Paul Hastings, and as reflected in the Keane Declaration, Anchorage and Carval have also provided consent and conflict waiver, with respect to this representation. In addition, the Firm has imposed (and will continue to impose) certain screening procedures in the form of ethical walls between the attorneys, files, and information relating to the Firm's representation of the Debtors and those relating to the Firm's representation of Anchorage and Carval in relation to the Debtors. *See In re AroChem*, 176 F.3d at 622 (emphasizing that, under section 327(e) of the Bankruptcy Code, potential conflicts must be evaluated only with respect to the scope of the proposed retention).

29. In June 2010, certain attorneys in Paul Hastings' New York office were asked to represent The Praedium Group LLC and certain of its affiliates (collectively, "Praedium") and The Pinnacle Group NY LLC and certain of its affiliates (collectively,

“Pinnacle”) in discussions, negotiations, and possible restructuring in connection with certain mezzanine loans evidenced by the following promissory notes: (i) that certain Promissory Note A, dated as of August 22, 2006, from Pinnacle Hamilton NY LLC to LBHI in the principal face amount of \$7,190,000 and that certain Promissory Note B, dated as of August 22, 2006, from Pinnacle Hamilton NY LLC to LBHI in the principal face amount of \$21,000,000, (ii) that certain Amended and Restated Promissory Note, dated as of August 22, 2006, from Pinnacle Dunbar Manor NY LLC to LBHI in the principal face amount of \$23,170,000, and (iii) that certain Amended and Restated Promissory Note, dated as of August 22, 2006, from Pinnacle Amsterdam NY LLC to LBHI in the principal face amount of \$13,940,000. Paul Hastings obtained a consent and conflict waiver from Lehman, Praedium, and Pinnacle with respect to this representation. In addition, Paul Hastings has imposed (and will continue to impose) certain screening procedures in the form of ethical walls between the attorneys, files, and information relating to Paul Hastings’ representation of the Debtors and those relating to Paul Hastings’ representation of Praedium and Pinnacle in relation to the Debtors.

30. The Debtors have been informed that Paul Hastings will continue to conduct an ongoing review of its files to ensure that no disqualifying circumstances arise and, if any new relevant facts or relationships are discovered, Paul Hastings will supplement its disclosure to the Court.

31. Paul Hastings has filed a proof of claim in these chapter 11 cases asserting a claim for earned but unpaid legal fees and expenses. Paul Hastings is, therefore, a prepetition creditor of the Debtors. However, Paul Hastings’ status as a prepetition creditor of the Debtors should not be an impediment to its retention by the Debtors under section 327(e) of the Bankruptcy Code. *See* 3 Collier on Bankruptcy ¶ 327.04[9][d] at 327-63 to 327-64 (15th ed. rev.

2009) (“the disinterested test of section 327(a) does not apply to section 327(e) because the attorney may, in fact, be a creditor of the debtor for fees related to such prepetition representation of the debtor”); *see also In re DeVlieg, Inc.*, 174 B.R. at 503 (holding that proposed attorney due outstanding prepetition fees did not hold interest adverse to the debtor or its estate for the matters for which it was to be retained under the “more relaxed conflict-of-interest standard” of section 327(e)).

32. Based on the foregoing and the disclosures set forth in the Affidavits, the Debtors submit that Paul Hastings does not hold or represent any interest adverse to the Debtors or the Debtors’ estates with respect to the matters on which Paul Hastings is to be employed.

C. Paul Hastings will not Conduct the Debtors’ Bankruptcy Case

33. By separate applications, the Debtors have sought and obtained the Court’s approval to retain and employ Weil, Gotshal & Manges LLP as the Debtors’ general bankruptcy counsel [Docket No. 1660], and Curtis, Mallet-Prevost, Colt & Mosle LLP as conflicts counsel [Docket No. 1659]. By contrast, Paul Hastings’ postpetition work is comprised of the Representative Matters. None of these matters involve the conduct of the bankruptcy cases themselves. Additionally, because Paul Hastings is not serving as the Debtors’ general bankruptcy counsel, the Debtors believe that Paul Hastings has not rendered “services . . . in contemplation of or in connection with the case” within the meaning of section 329(a) of the Bankruptcy Code.

34. Paul Hastings will not represent the Debtors in matters other than the Representative Matters and matters incidental or related thereto. Without limiting the foregoing, Paul Hastings will not be responsible for (a) appearances before the Bankruptcy Court and the U.S. Trustee; (b) litigation in the Bankruptcy Court with respect to matters that are primarily disputes involving issues of bankruptcy law; or (c) the provision of legal advice within

the bankruptcy, tax, employment, or criminal law fields. Further, Paul Hastings will not be required to devote attention to forming professional opinions as to, or advising the Debtors with respect to, bankruptcy law. Accordingly, the services rendered and functions to be performed by Paul Hastings have not been and will not be duplicative of any bankruptcy-related work performed by other law firms retained by the Debtors. Furthermore, Paul Hastings will coordinate with the Debtors' other professionals to ensure that its services are, to the maximum extent possible, complementary to other professionals' services.

35. As described above, the Debtors' proposed retention of Paul Hastings as special counsel to the Debtors falls squarely within the scope of and purpose for which Congress enacted section 327(e). As stated above, the Debtors do not believe that Paul Hastings holds or represents any interest adverse to the Debtors or their estates with respect to the matters for which Paul Hastings is proposed to be retained. Accordingly, the Debtors submit that the retention of Paul Hastings with respect to the Representative Matters is in the best interests of the Debtors, their estates, and their creditors and should be approved by the Court.

Notice

36. No trustee has been appointed in these chapter 11 cases. The Debtors have served notice of this Application in accordance with the procedures set forth in the amended order entered on February 13, 2009 governing case management and administrative procedures for these cases [Docket No. 2837] on: (i) the U.S. Trustee; (ii) the attorneys for the Creditors' Committee; (iii) the Securities and Exchange Commission; (iv) the Internal Revenue Service; (v) the United States Attorney for the Southern District of New York; and (vi) Paul Hastings. The Debtors submit that no other or further notice need be provided.

37. No previous request for the relief sought herein has been made by the Debtors to this or any other court.

WHEREFORE, the Debtors respectfully request that the Court grant the relief requested herein and such other and further relief as it deems just and proper.

Dated: July 23, 2010
New York, New York

/s/ Richard P. Krasnow
Richard P. Krasnow
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767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
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Attorneys for Debtors
and Debtors in Possession

Exhibit A

Affidavit of Robert M. Keane, Jr.

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re : **Chapter 11**
:
LEHMAN BROTHERS HOLDINGS INC., et al., : **Case No. 08-13555 (JMP)**
:
Debtors. : **(Jointly Administered)**
:
:
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**AFFIDAVIT OF ROBERT M. KEANE, JR.
IN SUPPORT OF THE APPLICATION OF THE DEBTORS PURSUANT TO SECTION
327(e) OF THE BANKRUPTCY CODE AND RULE 2014 OF THE FEDERAL RULES
OF BANKRUPTCY PROCEDURE FOR AUTHORIZATION TO EMPLOY AND
RETAIN PAUL, HASTINGS, JANOFSKY & WALKER LLP AS SPECIAL COUNSEL
TO THE DEBTORS, *NUNC PRO TUNC* TO MARCH 1, 2010**

STATE OF CALIFORNIA)
) ss :
COUNTY OF LOS ANGELES)

Robert M. Keane, Jr., being duly sworn, upon his oath, deposes and says:

1. I am a partner in the law firm of Paul, Hastings, Janofsky & Walker LLP (“Paul Hastings” or the “Firm”), with offices in several locations, including an office located at 515 South Flower Street, 25th Floor, Los Angeles, California 90071.

2. I submit this affidavit in connection with the “Application of the Debtors pursuant to Section 327(e) of the Bankruptcy Code and Rule 2014(a) of the Federal Rules of Bankruptcy Procedure for Authorization to Employ and Retain Paul, Hastings, Janofsky & Walker LLP as Special Counsel to the Debtors, *Nunc Pro Tunc* to March 1, 2010” (the “Application”). In the Application, Lehman Brothers Holdings Inc. (“LBHI”) and its affiliated debtors in the above-referenced chapter 11 cases, as debtors and debtors in possession (collectively, the “Debtors”) seek authorization to employ and retain Paul Hastings as special

counsel with respect to certain real estate and litigation matters. The Debtors seek to employ Paul Hastings at the Firm's normal hourly rates in effect from time to time and in accordance with the Firm's normal reimbursement policies, in compliance with sections 330, 331, and 504 of title 11 of the United States Code (the "Bankruptcy Code"), such Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") as may from time to time be applicable, such procedures as may be fixed by Order of this Court, the Administrative Orders Re: Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases issued by the Southern District of New York Bankruptcy Judges, the U.S. Trustee Guidelines, and other Orders of this Court. In addition, the Firm hereby provides the disclosure required under Bankruptcy Rules 2014(a) and 2016(b).

3. The facts set forth below are based upon my personal knowledge, discussions with other Paul Hastings attorneys, and the Firm's client/matter records reviewed by me or other Paul Hastings attorneys acting under my supervision and direction. Paul Hastings currently employs hundreds of lawyers. To the extent any information disclosed herein requires amendment or modification upon Paul Hastings' completion of further review or as additional information becomes available to it, a supplemental affidavit will be submitted to the Court reflecting such amended or modified information.

Scope of Services

4. The Debtors have requested that Paul Hastings serve as special counsel to provide services, to the extent necessary and as requested by the Debtors, with respect to (a) asset management and liquidation activities with respect to loans and other assets, (b) the negotiation of commercial real estate lease transactions, such as subleases, assignments, and amendments to existing leases, both matters for which Paul Hastings has historically provided services (and continues to provide services) to the Debtors during the pendency of these cases,

(c) mediation and mediation related services in connection with various derivative trades between the Debtors and other entities, (d) litigation and litigation related services in connection with various derivative trades between the Debtors and other entities, (e) pre- and post-litigation work and other litigation and dispute resolution services in connection with various derivative trades between the Debtors and other entities, in connection with those derivatives matters where Weil, Gotshal & Manges LLP and Jones Day have conflicts, and (f) such other real estate and litigation related issues and services as may be assigned by the Debtors (collectively, the “Representative Matters”).

5. The Firm will not represent the Debtors in matters other than the Representative Matters and matters incidental or related thereto. Without limiting the foregoing, Paul Hastings will not be responsible for (a) appearances before the Bankruptcy Court and the U.S. Trustee, (b) litigation in the Bankruptcy Court with respect to matters that are primarily disputes involving issues of bankruptcy law, or (c) the provision of legal advice within the bankruptcy, tax, employment, or criminal law fields. Further, Paul Hastings will not be required to devote attention to forming professional opinions as to, or advising the Debtors with respect to, bankruptcy law.

6. To date in the chapter 11 cases, the Firm has served as ordinary course counsel to the Debtors. On December 29, 2008, the Firm submitted the “Affidavit of Ordinary Course Professional” (the “Initial Affidavit”) [Docket No. 2407]. Capitalized terms used but not defined herein have the meaning given in the Initial Affidavit.

7. On May 21, 2009, the Firm submitted the “First Supplemental Affidavit and Disclosure Statement Pursuant to the Order Authorizing the Debtors to Employ Professionals Utilized in the Ordinary Course of Business” [Docket No. 3631]. On September

14, 2009, the Firm submitted the “Second Supplemental Affidavit and Disclosure Statement Pursuant to the Order Authorizing the Debtors to Employ Professionals Utilized in the Ordinary Course of Business” [Docket No. 5133]. The Initial Affidavit, the first supplemental affidavit, and the second supplemental affidavit are collectively referred to herein as the “OCP Affidavits”. The OCP Affidavits are incorporated herein by this reference.

8. I respectfully submit this affidavit in connection with the Firm’s continued services as counsel to the Debtors and in support of the Application. In addition, since filing the OCP Affidavits, certain attorneys have joined the Firm, the Firm has been asked to handle new matters, and the Debtors’ counsel has supplemented the list of Interested Parties, thus necessitating additional disclosure.

New Professionals

9. In September 2009, Joseph M. Gitto joined the Firm as an associate in the Firm’s New York office in the Corporate Department. Before joining the Firm, Mr. Gitto was an associate at Nixon Peabody LLP (“Nixon”). While at Nixon, he represented Deutsche Bank National Trust adverse to one or more of the Debtors in certain litigation. To my knowledge, Nixon continues to represent Deutsche Bank National Trust in these chapter 11 cases. The Firm has imposed (and will continue to impose) an ethical wall between Mr. Gitto and the Paul Hastings attorneys representing the Debtors in these chapter 11 cases.

10. In November 2009, Robert E. Winter joined the Firm as an Of Counsel attorney in the Firm’s Washington, D.C. office in the Corporate Department. Before joining the Firm, Mr. Winter was an associate at Milbank, Tweed, Hadley & McCloy LLP (“Milbank”). While at Milbank, he served as counsel for the Official Committee of Unsecured Creditors (the “Creditors Committee”) in the Debtors’ chapter 11 cases. To my knowledge, Milbank continues to serve as counsel to the Creditors Committee. The Firm has imposed (and will continue to

impose) an ethical wall between Mr. Winter and the Paul Hastings attorneys representing the Debtors in these chapter 11 cases.

11. In January 2010, Daniel Hughes joined the Firm as an associate in the Firm's New York office in the Corporate Department. Before joining the Firm, Mr. Hughes was an associate at Cadwalader, Wickersham & Taft LLP ("Cadwalader"). While at Cadwalader, he represented Bank of America in filing proofs of claim against one or more of the Debtors in these chapter 11 cases. Also while at Cadwalader, Mr. Hughes represented a Lehman entity in liquidation proceedings in Bermuda. The Firm has imposed (and will continue to impose) an ethical wall between Mr. Hughes and the Paul Hastings attorneys representing the Debtors in these chapter 11 cases.

12. In February 2010, Bryan R. Kaplan joined the Firm as an associate in the Firm's New York office in the Corporate Department. Before joining the Firm, Mr. Kaplan was an associate at Debevoise & Plimpton ("Debevoise"). While at Debevoise, he represented D.E. Shaw & Co., L.P. and Joint Provisional Liquidators of Park Central Global Hub Ltd. in the Debtors' chapter 11 cases. To my knowledge, Debevoise continues to serve as counsel to both entities. The Firm has imposed (and will continue to impose) an ethical wall between Mr. Kaplan and the Paul Hastings attorneys representing the Debtors in these chapter 11 cases.

13. In February 2010, Judith Mejia worked with the Firm as a temporary attorney in the Firm's New York office in the Litigation Department. Ms. Mejia has, in the past, represented one or more of the Debtors in certain litigation. Ms. Mejia assisted the Firm in connection with a matter unrelated to the Debtors. The Firm has imposed (and will continue to impose) an ethical wall between Ms. Mejia and all other Firm matters. Ms. Mejia left the Firm on February 18, 2010.

14. In March 2010, Marc Melia began work with the Firm as a trainee solicitor in the Firm's London office in the Corporate Department. Before joining the Firm, Mr. Melia was a paraprofessional at PricewaterhouseCoopers LLP (UK). While there, he was seconded to Lehman where he worked on certain discreet litigation. The Firm has imposed (and will continue to impose) an ethical wall between Mr. Melia and the Paul Hastings attorneys representing the Debtors in these chapter 11 cases.

15. In April 2010, Aaron M. Klein joined the Firm as an associate in the Firm's New York office in the Corporate Department. Before joining the Firm, Mr. Klein was an associate at Weil Gotshal & Manges LLP ("Weil"). While at Weil, he represented U.S. Shipping Partners, as a debtor in possession, in matters adverse to one or more of the Debtors on matters unrelated to the Representative Matters.

16. In April 2010, Adam G. Young joined the Firm as an associate in the Firm's Palo Alto office in the Corporate Department. Before joining the Firm, Mr. Young was an associate at Morrison & Foerster LLP. While there, Mr. Young represented Crescent Heights International in a real estate financing matter adverse to Lehman Brothers Japan in 2008. Before joining Morrison & Foerster, Mr. Young was an associate at Skadden, Arps, Slate, Meagher & Flom LLP, where he represented Capital Servicing Co. adverse to one or more of the Debtors in certain corporate matters in 2007. The Firm has imposed (and will continue to impose) an ethical wall between Mr. Young and the Paul Hastings attorneys representing the Debtors in these chapter 11 cases.

17. In March 2010, Eric F. Allendorf joined the Firm as an of counsel attorney in the Firm's New York office in the Real Estate Department. Before joining the Firm, Mr. Allendorf worked as a consultant and vice president at Morgan Stanley, where he was part of a

team that restructured the first and second-loss mezzanine loans on certain Hilton debt in which Lehman had a small interest. Before joining Morgan Stanley, Mr. Allendorf was an associate at Fried, Frank, Harris, Shriver & Jacobson ("Fried Frank"), where he represented Tishman Speyer in connection with its acquisition of 200 Park Avenue and Lehman provided both the debt and equity financing. Before joining Fried Frank, Mr. Allendorf was an associate at Cadwalader, where he represented Lehman on a number of mortgage originations. Mr. Allendorf will represent The Praedium Group LLC and certain of its affiliates (collectively, "Praedium") and The Pinnacle Group NY LLC and certain of its affiliates (collectively, "Pinnacle") on the matter described in paragraph 23 below.

New Matters

18. Paul Hastings has in the past represented, currently represents, and may in the future represent Interested Parties in matters unrelated to the matters for which Paul Hastings has been engaged. As indicated in the OCP Affidavits, Paul Hastings has continued to review potential connections between the Firm and known Interested Parties. Based on this continuing review, in addition to the connections described in the OCP Affidavits, I have ascertained that Paul Hastings has a connection with certain Interested Parties as set forth below.

19. Paul Hastings represents, or has represented in the past, in matters unrelated to the Debtors, the following Interested Parties (or their affiliates):

CBRail Leasing S.a.r.l. – Firm client and certain entities related to its parent,
Lloyds Banking Group plc, are clients
Assurant Solutions - Firm client and related to Assurant Health (former client)
and Assurant Inc. (former client)

Paul Hastings will not represent such entities in the Debtors' chapter 11 cases without the Debtors' written consent, the United States Trustee's approval, and the Court's authorization.

20. I am informed that Douglas Koff, a partner in the Firm's New York office, is the son-in-law of Thomas Hommel, a Co-General Counsel of LBHI.

21. In October 2009, certain attorneys in the Firm's New York office were asked to represent Anchorage Advisors, L.L.C. ("Anchorage") and Carval Investors ("Carval") as creditors adverse to LBHI, Lehman Commercial Paper, Inc. ("LCPI"), and/or Lehman Brothers Bankhaus Aktiengesellschaft. The Firm represents LBHI and LCPI in connection with the Representative Matters. I am informed that Luc Despins of Paul Hastings addressed this representation with Bill Olsham (in house counsel at LBHI) and Milbank (counsel to the Creditors Committee). Neither objected to this representation. I am further informed that this representation is unrelated to the matters on which the Debtors have engaged the Firm. The Firm has obtained a consent and conflict waiver from Lehman (**not defined – LBHI? Debtors? LBHI on behalf of its affiliates?**), Anchorage, and Carval with respect to this representation.¹ In addition, the Firm has imposed (and will continue to impose) certain screening procedures in the form of ethical walls between the attorneys, files, and information relating to the Firm's representation of the Debtors and those relating to the Firm's representation of Anchorage and Carval in relation to the Debtors.

22. In February 2010, certain attorneys in the Firm's New York office were asked to represent CB Richard Ellis Investors in connection with a loan to Site 16/17 Development LLC (borrower). The borrower is a joint venture between Christopher Daly and BPC Holding LLC, which is affiliated with LBHI. While this matter involved real estate work, I am informed that it is unrelated to the matters for which the Debtors have engaged the Firm.

¹ Upon request, the Firm will provide the Court and the United States Trustee with a copy of the waivers.

23. In June 2010, certain attorneys in the Firm's New York office were asked to represent Praedium and Pinnacle in discussions, negotiations, and possible restructuring in connection with certain mezzanine loans evidenced by the following promissory notes: (i) that certain Promissory Note A, dated as of August 22, 2006, from Pinnacle Hamilton NY LLC to LBHI in the principal face amount of \$7,190,000 and that certain Promissory Note B, dated as of August 22, 2006, from Pinnacle Hamilton NY LLC to LBHI in the principal face amount of \$21,000,000, (ii) that certain Amended and Restated Promissory Note, dated as of August 22, 2006, from Pinnacle Dunbar Manor NY LLC to LBHI in the principal face amount of \$23,170,000, and (iii) that certain Amended and Restated Promissory Note, dated as of August 22, 2006, from Pinnacle Amsterdam NY LLC to LBHI in the principal face amount of \$13,940,000. I am informed that Eric Landau of Paul Hastings addressed this representation with Bryan Marsal and Jeffrey Fitts (both of Alvarez and Marsal). I am further informed that the Firm has obtained a consent and conflict waiver from each of Lehman, Praedium, and Pinnacle with respect to this representation.² In addition, the Firm has imposed (and will continue to impose) certain screening procedures in the form of ethical walls between the attorneys, files, and information relating to the Firm's representation of the Debtors and those relating to the Firm's representation of Praedium and Pinnacle in relation to the Debtors.

24. In June 2010, certain attorneys in the Firm's New York office were asked to represent the Debtors in connection with various derivative trades between one or more of the Debtors and other entities, in which both Weil, Gotshal & Manges LLP and Jones Day were conflicted. The Representative Matters are defined to include such matters.

² Upon request, the Firm will provide the Court and the United States Trustee with a copy of the waivers.

Prepetition Claim

25. On August 3, 2009, Paul Hastings filed its original proof of claim (Claim No. 7019) in the amount of \$670,874.59. In May 2010, Paul Hastings amended its claim to include additional prepetition charges. Paul Hastings' amended claim amounts to \$702,475.83.

Additional Interested Parties

26. The Firm has received a supplemental list of Interested Parties from the Debtors' counsel (the "Additional Interested Parties"). The Firm searched on its electronic database for its connection to the Additional Interested Parties.

27. Based on its conflicts research, the Firm makes the following specific disclosure:

(a) Annexed hereto as Exhibit 1 is a list of Additional Interested Parties (or their affiliates) whom the Firm represents, or has represented in the past, in matters unrelated to the matters on which the Firm is employed; and

(b) Annexed hereto as Exhibit 2 is a list of Additional Interested Parties (or their affiliates) whom the Firm represents, or has represented in the past, in matters related to the Debtors or their affiliates.

28. Based on the foregoing and the OCP Affidavits, and except as provided herein and in the OCP Affidavits, to the best of my knowledge, information, and belief formed after reasonable inquiry, the Firm does not: (a) represent or hold any interest adverse to the Debtors or their estates with respect to the matters on which the Firm seeks to be employed as special counsel; or (b) have any connection with the Debtors, any creditors or other Interested Parties, their respective attorneys and accountants, or the United States Trustee for the Southern District of New York or any person employed by the Office of such United States Trustee.

Special Counsel Compensation

29. Paul Hastings has not received any promises as to payment or compensation in connection with these chapter 11 cases other than in accordance with the provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules for the Southern District of New York (the “Local Rules”), and the Guidelines established by the Office of the United States Trustee (the “U.S. Trustee Guidelines”), and as disclosed herein.

30. It is Paul Hastings’ policy to charge its clients in all areas of practice for expenses incurred in connection with a client’s case. The expenses charged to clients include, among other things, photocopying, witness fees, travel and lodging expenses, certain secretarial and other overtime expenses, filing and recording fees, long distance and other telephone charges, postage, vendor charges, express mail and messenger charges, computerized legal research charges and other computer services, expenses for “working meals,” and telecopier charges. Paul Hastings will charge the Debtors for these expenses in a manner and at rates consistent with charges made generally to its other clients, subject to this Court’s approval of such expenses pursuant to sections 330 and 331 of the Bankruptcy Code, such Bankruptcy Rules as may from time to time be applicable, such procedures as may be fixed by Order of this Court, the Administrative Orders Re: Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases issued by the Southern District of New York Bankruptcy Judges, the U.S. Trustee Guidelines, and other Orders of this Court. Paul Hastings believes that failure to charge these expenses would require the Firm to increase its current hourly rates.

31. Paul Hastings intends to seek compensation in accordance with sections 330(a) and 331 of the Bankruptcy Code, the U.S. Trustee Guidelines, the Bankruptcy Rules, the Local Rules, and any applicable Orders of the Court.

32. Paul Hastings' hourly rates are set at a level designed to compensate it fairly for the work of its attorneys and paraprofessionals and to cover fixed and routine overhead expenses. Hourly rates vary with the experience and seniority of the individuals assigned. The current hourly billing rates for Paul Hastings professionals in the United States range from \$640 to \$990 for partners and counsel, \$345 to \$715 for associates, and \$115 to \$460 for paraprofessionals.³ The current hourly billing rates for Paul Hastings professionals in London range from \$779 to \$983 for partners and counsel, \$310 to \$817 for associates, and \$151 to \$303 for paraprofessionals. These London rates are based on the exchange rate applicable on July 1, 2010. The London rates will vary depending on the exchange rate in effect on the date of the invoice.

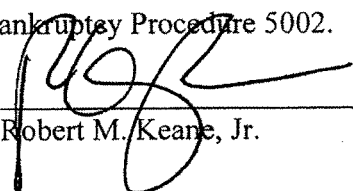
33. To reflect economic and other conditions, Paul Hastings revises its regular hourly rates periodically and requests that, effective as of the date of such revision, the aforementioned rates be revised to the regular hourly rates that will be in effect at that time. I believe that these rates are commensurate with the hourly rates of other firms of similar size and expertise in their respective markets.

OCP Compensation

34. I understand that Paul Hastings' fees and expenses reached and exceeded the \$1 million chapter 11 compensation cap for ordinary course professionals in these cases with its March 2010 fees. As of March 31, 2010, Paul Hastings had incurred fees and expenses totaling approximately \$1,123,000 in these cases.

³ The Firm has one exception to this rate structure. Paul Hastings charges \$1025 per hour for an attorney, who specializes in intellectual property and patent litigation, in the Firm's Palo Alto office. To my knowledge, that attorney will not work on the Representative Matters.

35. Paul Hastings has not agreed to share any of its compensation from the Debtors with any other person, other than a partner, counsel, associate, or staff person employed by Paul Hastings as permitted by section 504 of the Bankruptcy Code. The proposed retention of Paul Hastings is not prohibited by Federal Rule of Bankruptcy Procedure 5002.


Robert M. Keane, Jr.

SWORN AND SUBSCRIBED before me
this 6th day of July, 2010.


Notary Public

My Commission Expires: 5-30-2014

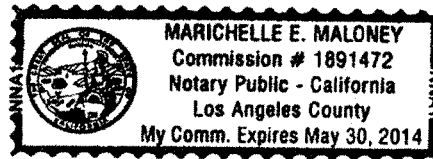


Exhibit 1

**Additional Interested Parties or Their Affiliates Whom the Firm Represents
or Has Represented in the Past in Matters Unrelated to
the Matters on Which the Firm Is Engaged**

Potential Parties in Interest

4086 Advisors – Firm client and affiliated with certain client entities
ABN Ambro Holding N.V. – Not a client, but is affiliated with certain client entities
Accredited Home Lenders, Inc. – Firm client and affiliated with certain client entities
ACI Operations Pty Limited – Not a client, but is affiliated with certain client entities
Activant Solutions Inc. – Not a client, but is affiliated with certain client entities
AES Corporation – Firm client
AIG CDS, Inc. – Not a client, but is affiliated with certain client entities
Aktiengesellschaft – Need more information
Alabama Power Company – Not a client, but is affiliated with certain client entities
Alcoa Inc. – Not a client, but is affiliated with certain client entities
Alenco – Not a client, but is affiliated with certain client entities
Algoma Stell Inc. – If this is Algoma Steel Inc, then not a client, but is affiliated with
certain client entities
Allen Matkins Leck Gamble Mallory – Firm client
Alliance Laundry Holdings LLC – Not a client, but is affiliated with certain client entities
Alliance Laundry Systems – Not a client, but is affiliated with certain client entities
Alliant Energy Corporation – Not a client, but is affiliated with certain client entities
Allianz – Not a client, but is affiliated with certain client entities
Allied Holdings, Inc. – Not a client, but is affiliated with certain client entities
Allied Waste Industries Inc. – Firm client and affiliated with certain client entities
Allison Transmission, Inc. – Not a client, but is affiliated with certain client entities
Allsport Management SA – If this is Allsport Ltd., then not a client, but is affiliated
with certain client entities
Alltel Communications – Not a client, but is affiliated with certain client entities
Alltel Corp. – Not a client, but is affiliated with certain client entities
Altos Hornos de Mexico SA de CV – Not a client, but is affiliated with certain client
entities
Altra Group, Inc. – If this is Altria Group Inc., then not a client, but is affiliated with
certain client entities
AMBAC – If this is AMBAC Financial Group, then firm client
Ameren Corporation – Not a client, but is affiliated with certain client entities
American Airlines 1st Lien – Not a client, but is affiliated with certain client entities
American Airlines Inc. – Firm client and affiliated with certain client entities
American Electric Power Company Inc. – Not a client, but is affiliated with certain client
entities
American International Group Inc. – Firm client
Americas – Need more information

AmeriSourceBergen Corporation – Not a client, but is affiliated with certain client entities
Amgen Inc. – Firm client
ANC Rental Corporation – Firm client, and affiliated with certain client entities
ANZ Securities, Inc. – Not a client, but is affiliated with certain client entities
Apollo Management Holdings, L.P. – Not a client, but is affiliated with certain client entities
Aracruz – If this is Aracruz Celulose SA, then not a client
Aramark Corporation – Not a client, but is affiliated with certain client entities
ARINC Incorporated – Firm client and affiliated with certain client entities
Arizona Public Service Company – Firm client and affiliated with certain client entities
ArvinMeritor, Inc. – Firm client
Arysta Lifescience – Not a client, but is affiliated with certain client entities
AS Propulsion Capital BV – If this is Aspropulsion Capital NV, then not a client
Assurant, Inc. – former firm client
Atlas Pipeline Partners – Not a client, but is affiliated with certain client entities
Atrium Companies Inc. - Firm client and affiliated with certain client entities
Autodesk Inc. – Firm client
Avago Technologies Finance Pte. Ltd. – Not a client, but is affiliated with certain client entities
Aviva Life and Annuity Company – Not a client, but is affiliated with certain client entities
AVR Acquisitions B.V. – Not a client, but is affiliated with certain client entities
AVR Industrial Waste B.V. – Not a client, but is affiliated with certain client entities
AVR Industrie N.V. – Not a client, but is affiliated with certain client entities
BAE Systems Holdings Inc. – Not a client, but is affiliated with certain client entities
Ball Corporation – Firm client
Ball Packaging Products Canada – Not a client, but is affiliated with certain client entities
Banco Santander – Not a client, but is affiliated with certain client entities
Bank of New York Trust Co., N.A. – Not a client, but is affiliated with certain client entities
Bausch and Lomb – Firm client and affiliated with certain client entities
BBVA Securities Inc. – Not a client, but is affiliated with certain client entities
BEA Systems, Inc. – Firm client and affiliated with certain client entities
Beig Midco Limited – Not a client, but is affiliated with certain client entities
Beig Pikco Limited – Not a client, but is affiliated with certain client entities
Berry Plastics Corporation – Not a client, but is affiliated with certain client entities
Best Buy – Not a client, but is affiliated with certain client entities
Biogen Iden Inc. – If this is Biogen Idec Inc., then firm client
Biomet, Inc. – Not a client, but is affiliated with certain client entities
BlackRock – Firm client and affiliated with certain client entities
Blackstone / Blackstone Capital Partners V L.P. – Not a client, but is affiliated with certain client entities
Block Financial Corporation – Not a client, but is affiliated with certain client entities
BMO Capital Markets Corp. – Not a client, but is affiliated with certain client entities

BNY Capital Markets, Inc. – Not a client, but is affiliated with certain client entities
Boardwalk Pipelines, LP – Not a client, but is affiliated with certain client entities
Booz Allen Hamilton Inc. – Firm client and affiliated with certain client entities
BPC Holding Corporation (f/k/a BPC Acquisition Corp.) – Not a client, but is affiliated with certain client entities
BreitBurn Operating L.P. – Not a client, but is affiliated with certain client entities
Brickman Group – Firm client and affiliated with certain client entities
British Airways Plc – Firm client
British Sky Broadcasting Group plc – Not a client, but is affiliated with certain client entities
Buffets, Inc. – Firm client and affiliated with certain client entities
Building Materials – Wells – Not a client, but affiliated with certain client entities
Buildings Materials Holdings – Firm client
Burger King Corporation – Firm client
Cableuropa S.A.U – Not a client, but is affiliated with certain client entities
Cablevision Systems Corp. – Firm client
Campbell Soup Company – Firm client
Capital IQ, Inc. – Not a client, but is affiliated with certain client entities
Capmark Financial Group Inc. – Firm client
Carbone S.A.R.L – Need further information
CBS Corp. – Firm client and affiliated with certain client
CDC IXIS Financial Guaranty Services Inc. – Not a client, but is affiliated with certain client entities
CDW Corporation – Not a client, but is affiliated with certain client entities
Cebriidge 2nd Lien PIK – Not a client, but is affiliated with certain client entities
Cedar Fair – Not a client, but is affiliated with certain client entities
Centennial Cellular Corp. – Not a client, but is affiliated with certain client entities
Centennial Communications Corp. – Not a client, but is affiliated with certain client entities
Centerpoint Energy Resource – Not a client, but is affiliated with certain client entities
Centra Park, LLC – Not a client, but is affiliated with certain client entities
Central Illinois Light Company – Not a client, but is affiliated with certain client entities
Central Illinois Public Service Company – Firm client and affiliated with certain client entities
Cenveo Corporation – Not a client, but is affiliated with certain client entities
Cequel Comm – Not a client, but is affiliated with certain client entities
Cessna – Firm client and affiliated with certain client entities
Charles Schwab & Co., Inc. – Firm client and affiliated with certain client entities
Chart Industries, Inc. – Not a client, but is affiliated with certain client entities
Charter Communications – Firm client and affiliated with certain client entities
CIFG – Firm client
Cilcorp Inc. – Not a client, but is affiliated with certain client entities
Cinemark USA, Inc. A-4 – Not a client, but is affiliated with certain client entities
CIT Group (Master) – Firm client

Citic International Financial Holdings – Not a client, but is affiliated with certain client entities
Citrus Corporation – Not a client, but is affiliated with certain client entities
CKX Inc. – Firm client
Claire's Stores, Inc.– Not a client, but is affiliated with client Apollo Management LP
Colfax Corporation – Firm client
Commerzbank Capital Markets Corp. – Firm client and affiliated with client
Commerzbank AG
Community Health System – Firm client and affiliated with client Forstmann Little & Co.
Company I Ameren Resources Gen Co. – Not a client, but is affiliated with client
Ameren Corporation
Concord Development Properties Ltd. – Not a client, but is affiliated with certain client entities
Conocophillips – Firm client
Conseco Inc. – Firm client
Constellation Energy Group, Inc. – Firm client
Cooperative Centrale Raiffeisen-Boerenleenbank, B.A. – Firm client and affiliated with certain client entities
Cooper-Standard Automotive Inc. – Not a client, but is affiliated with certain client entities
Corp. Inc. – Need more information
Covanta Energy Corporation – Not a client, but is affiliated with certain client entities
Coviden Inti – Not a client, but is affiliated with certain client entities
Cox Communications, Inc. – Not a client, but is affiliated with certain client entities
Cox Enterprises, Inc. – Firm client
Cox Radio, Inc. – Not a client, but is affiliated with certain client entities
CRA Rogerscasey, LLC – Firm client
Credit Agricole – Firm client and affiliated with certain client entities
CROSSMAR, Inc. – Not a client, but affiliated with certain client entities
Crown Castle – If this is Crown Castle International, then firm client
CSC Holdings – Not a client, but is affiliated with certain client entities
Dana Holding Corporation – Firm client
Danaher Corporation – Firm client
Danske Bank A/S – Firm client
Darden Restaurants Inc. – Firm client
Data Down Link Corporation – Firm client
Del Monte Corporation – Firm client and affiliated with certain client entities
Delphi – Firm client
Delta Airlines A-5 – Not a client, but is affiliated with certain client entities
Deutsche Bank Trust Company – Firm client and affiliated with certain client entities
Deutsche Telekom AG – Not a client, but is affiliated with certain client entities
Diageo Finance PLC – Not a client, but is affiliated with certain client entities
Discover Financial Services – Firm client
Dollar General Corporation – Not a client, but is affiliated with certain client entities
Dominion Resources Inc. – Not a client, but is affiliated with certain client entities

Domtar Inc. – Not a client, but is affiliated with certain client entities
Drake Management LLC – Firm client and affiliated with certain client entities
Dresser, Inc. – Not a client, but is affiliated with certain client entities
Duff & Phelps – Firm client and affiliated with certain client entities
Duncan Energy Partners L.P. – Not a client, but is affiliated with certain client entities
Dynege Holdings, Inc. – Not a client, but is affiliated with certain client entities.
DZ Financial Markets LLC – Not a client, but is affiliated with certain client entities
E.On AG – Not a client, but is affiliated with certain client entities
Ebay Inc. – Firm client
Edison International – Firm client
Edison Mission Energy – Not a client, but is affiliated with certain client entities
El Paso Corporation – Not a client, but is affiliated with certain client entities
El Paso Pipeline Partners – Not a client, but is affiliated with certain client entities
Electrabel S.A. – Not a client, but is affiliated with certain client entities
EMI Entertainment World, Inc. – Not a client, but is affiliated with certain client entities
Emigrant Bank – If this is Emigrant Savings Bank, then not a client, but is affiliated
with certain client entities
Endemol Mezz – Not a client, but is affiliated with certain client entities
Endemol Sen – Not a client, but is affiliated with certain client entities
Enel SPA – Not a client, but is affiliated with certain client entities
Enron Corp. – Not a client, but is affiliated with certain client entities
Entergy Corp. – Firm client
Enterprise GP Holdings L.P. – Not a client, but is affiliated with certain client entities
Enterprise Products LLC – Not a client, but is affiliated with certain client entities
Enterprise Products Operating L.P. – Firm client
Envirosolutions Real Property Holdings, Inc. – Not a client, but is affiliated with certain
client entities
Equitable Resources, Inc. – Firm client and affiliated with certain client entities
ERP Operating Limited Partnership – Not a client, but is affiliated with certain client
entities
Faegre & Benson – Firm client
Fairpoint Communications, Inc.– Firm client (Firm serves as bankruptcy counsel)
FCAR – multiple listings, please provide us with more information
Ferretti – Not a client, but is affiliated with certain client entities
Fidelity Capital Markets Services A-6 – Not a client, but is affiliated with certain client
entities
Fidelity Investments – Not a client, but is affiliated with certain client entities
Financial Security Assurance – Firm client and affiliated with certain client entities
Finmeccanica Finance SA – Not a client, but is affiliated with certain client entities
FINOVA Loan Administration – Not a client, but is affiliated with certain client entities
First Data Corporation – Firm client and affiliated with certain client entities
First Franklin Mortgage Lona Trust 2006-FFA – Not a client, but is affiliated with certain
client entities
FirstEnergy Corp. – Firm client
Firth Rixson Mezz – Not a client, but is affiliated with certain client entities

Flextronics International Ltd. – Not a client, but is affiliated with certain client entities
Ford Motor Company – Firm client
Ford Motor Credit – Firm client and affiliated with certain client entities
Fortis Group – Not a client, but is affiliated with certain client entities
Fortress Investment Group LLC – Firm client
FPL Group Capital Inc. – Not a client, but is affiliated with certain client entities
Freescall Semiconductor, Inc. – Firm client and affiliated with certain client entities
Fresenius Medical Holdings Inc. – Not a client, but is affiliated with certain client entities
Gate Gourmet – Firm client and affiliated with certain client entities
GenenTech, Inc. – Firm client and affiliated with certain client entities
General Mills, Inc. – Firm client
Gentiva Health Services, Inc. – Firm client
Genworth Financial, Inc. – Firm client
Georgia Gulf – Firm client
Georgia Pacific Corporation – Firm client and affiliated with certain client entities
Georgia-Pacific Expansion S.A.S. – Not a client, but is affiliated with certain client entities
Givaudan S.A. – Not a client, but is affiliated with certain client entities
GMBH – Need more information
Government of Singapore – Not a client, but is affiliated with certain client entities
Graham Packaging Company, L.P. – Not a client, but is affiliated with certain client entities
Graphic Packaging International Corp. – Not a client, but is affiliated with certain client entities
Great Lakes Dredge & Dock Corporation – Not a client, but is affiliated with certain client entities
Greenpoint Mortgage Funding Trust Series – Not a client, but is affiliated with certain client entities
Greenwich Insurance Company – Not a client, but is affiliated with certain client entities
H3C Holdings Ltd. – Not a client, but is affiliated with certain client entities
Halliburton Company – Not a client, but is affiliated with certain client entities
Hanger Orthopedic Group, Inc. – Firm client
Harrah's Operating Co. Inc. – Firm client and affiliated with certain client entities
Harris Nesbit Corp. – Not a client, but is affiliated with certain client entities
Hawaiian Telcom Communications, Inc. – Not a client, but is affiliated with certain client entities
Hawaiian Telcom Holdco, Inc. – Not a client, but is affiliated with certain client entities
Hawaiian Telcom IP Service Delivery Investment, LLC – Not a client, but is affiliated with certain client entities
Hawaiian Telcom IP Service Delivery Research, LLC – Not a client, but is affiliated with certain client entities
Hawaiian Telcom IP Video Investment, LLC – Not a client, but is affiliated with certain client entities
Hawaiian Telcom IP Video Research, LLC – Not a client, but is affiliated with certain client entities

Hawaiian Telcom Services Company, Inc. – Not a client, but is affiliated with certain client entities
Hawaiian Telcom, Inc. – Not a client, but is affiliated with certain client entities
Hawker Beechcraft – Not a client, but is affiliated with certain client entities
HBK Investments LP – Firm client
HCA Inc. – Not a client, but affiliated with certain client entities
HD Supply – Not a client, but is affiliated with certain client entities
Heating Finance PLC – Not a client, but is affiliated with certain client entities
Henry Schein, Inc. – Firm client
Heritage Fields – Firm client and affiliated with certain client entities
Hexion – If this is Hexion Specialty Chemicals Inc, then not a client, but is affiliated with certain client entities
Highbridge LD Acquisition LLC – Not a client, but is affiliated with certain client entities
Highbridge Principal Strategies - Mezzanine Partners – Not a client, but is affiliated with certain client entities
Highmount Exploration & Production LLC – Not a client, but is affiliated with certain client entities
HMH Publishers LLC – Not a client, but is affiliated with certain client entities
HMH Publishing Mezzanine Holdings Inc. – Not a client, but is affiliated with certain client entities
Houghton Mifflin Harcourt Publishers Inc. – Not a client, but is affiliated with certain client entities
HSBC Finance Corporation – Not a client, but is affiliated with certain client entities
Huish Detergents Inc. (Huish) – Not a client, but is affiliated with certain client entities
HVB Capital Markets, Inc. – Not a client, but is affiliated with certain client entities
Iasis Healthcare LLC – Not a client, but is affiliated with certain client entities
Ibertravel Vacations (MEZZ) – If this is Iberotravel Vacations Holding SI, then not a client
Ibertravel Vacations Holding LS – If this is Iberotravel Vacations Holding SI, then not a client
Icopal – Not a client, but is affiliated with certain client entities
Idearc Inc. – Not a client, but is affiliated with certain client entities
Illinois National Insurance – Not a client, but is affiliated with certain client entities
Illinois Power Company – Not a client, but is affiliated with certain client entities
IM US Hold Inverness Medical – Not a client, but is affiliated with certain client entities
IMO Carwash – Not a client, but is affiliated with certain client entities
ING Financial Markets LLC – Not a client, but is affiliated with certain client entities
ING Group – Not a client, but is affiliated with certain client entities
Innovia Films (Holding 3) Limited – Not a client, but is affiliated with certain client entities
Intelsat (Bermuda), Ltd. – Not a client, but is affiliated with certain client entities
Intelsat Corporation (FKA Panamsat) – Firm client and affiliated with certain client entities

Intelsat Jackson (FKA Bermuda) A-8 – Not a client, but is affiliated with certain client entities
Intelsat Subsidiary Holding Company – Not a client, but is affiliated with certain client entities
Intergen N.V. – Firm client and affiliated with certain client entities
International Lease Finance Corporation – Firm client and affiliated with certain client entities
Interstate Brands Corporation – Firm client and affiliated with certain client entities
Interstate Fibernet, Inc. – Not a client, but is affiliated with certain client entities
Interstate Power and Light Company – Firm client
Intesa – If this is Intesa Sanpaolo SpA, then firm client
Inverness Medical Innovations Inc. – Not a client, but is affiliated with certain client entities
INVESCO CLO – Not a client, but is affiliated with certain client entities
INVESCO Real Estate – Not a client, but is affiliated with certain client entities
Investment Corporation PTE, LTD – If this is Government of Singapore Investment Corporation PTE, LTD, then firm client
ISS Holding – Not a client, but is affiliated with certain client entities
iStar Financial Inc. – Firm client
ITC Holdings Corporation – Firm client and affiliated with certain client entities
ITC Midwest LLC – Not a client, but is affiliated with certain client entities
ITC Transco – Not a client, but is affiliated with certain client entities
Iusacell – If this is Grupo Iusacell SA de CV, then not a client
James J. Sullivan – Not a client, but is affiliated with certain client entities
JFB Firth Rixson, Inc. – Not a client, but is affiliated with certain client entities
Kabel Deutschland – Not a client, but is affiliated with certain client entities
Kaupthing Bank – Firm client
KBC Bank – Not a client, but is affiliated with certain client entities
KBC Financial Products UK Limited – Not a client, but is affiliated with certain client entities
KBC Financial Products USA, Inc. – Not a client, but is affiliated with certain client entities
KBC Investments Cayman Islands V Limited – Not a client, but is affiliated with certain client entities
KBC Investments Limited – Not a client, but is affiliated with certain client entities
Kelson Finance LLC – Not a client, but is affiliated with certain client entities
Kelson Holding LLC – Not a client, but is affiliated with certain client entities
Keystone Inc. – If this is Keystone Corporation, then firm client
Kimberly-Clark Corporation – Firm client
Kinder Morgan Energy Partners L.P. – Firm client
KKR Private Equity Investors LP – Not a client but affiliated with certain client entities
Knight Capital Group – Not a client, but is affiliated with certain client entities
KPMG – Firm client and affiliated with certain client entities
Laboratory Corporation of America Holdings – Firm client
Landsource – Firm client and affiliated with certain client entities

Las Vegas Resort – need more information
Las Vegas Sands LLC – Not a client, but affiliated with certain client entities
LaSalle Bank National Association – Firm client and affiliated with certain client entities
LaSalle Global Trust Services – Not a client, but is affiliated with certain client entities
Legal & General Group Plc – Not a client, but is affiliated with certain client entities
Level 3 Financing, Inc. – Not a client, but is affiliated with certain client entities
Liberty Global Inc. – Not a client, but is affiliated with client Liberty Media Corp.
Liberty Mutual Group Inc. – Not a client, but is affiliated with certain client entities
Limited Lincoln National Corporation – If this is Lincoln National Corp., then firm client
Local Insight Media – Not a client, but is affiliated with certain client entities
Local Insight Regatta Holdings, Inc. – Not a client, but is affiliated with certain client entities
Lufthansa AG – Not a client, but is affiliated with certain client entities
Lukoil Finance Limited – Not a client, but is affiliated with certain client entities
Lyondell – If this is Lyondell Chemical Company, then firm client and affiliated with certain client entities
LyondellBasell Industries – Not a client, but is affiliated with certain client entities
M.R. Beal & Company – Firm client
Macquarie A-10 – If this is Macquarie Group Ltd., then not a client, but is affiliated with certain client entities
Man Group Finance Inc. – Not a client, but is affiliated with certain client entities
Manzoni/Prêt DAcquisition VLM – If this is Manzoni Industries, then not a client
Marathon Oil Company – Firm client and affiliated with certain client entities
Mark IV – Not a client, but is affiliated with certain client entities
Marriott International Inc. – Firm client
Massachusetts Mutual Life Insurance – Firm client
McJunkin Corporation – Not a client, but is affiliated with certain client entities
McJunkin Red Man Holdings Corporation – Not a client, but is affiliated with certain client entities
Medco Health Solutions Inc. – Firm client
Merlin Entertainments Group – Firm client and affiliated with certain client entities
Metropolitan West Asset Management, LLC – Firm client
Metropolitan West Total Return Bond Fund – Not a client, but is affiliated with certain client entities
MF Global Finance – Not a client, but is affiliated with certain client entities
MF Global Finance Europe Limited – Not a client, but is affiliated with certain client entities
MF Global Ltd. – Not a client, but is affiliated with certain client entities
Man Financial – Not a client, but is affiliated with certain client entities
Michael Stores – If this is Michael's Stores, then firm client and affiliated with certain client entities
Michigan Electric Transmission Co. – Not a client, but is affiliated with certain client entities
Midamerican Energy Company – Not a client, but is affiliated with certain client entities

Millennium International, Ltd. – Not a client, but is affiliated with certain client entities
Minera Del Norte S.A. – Not a client, but is affiliated with certain client entities
Mirant North America, LLC – If this is Mirant Americas Inc., then firm client and affiliated with certain client entities
Mizuho Financial Group – Firm client
Moody's Corp. – Not a client, but is affiliated with certain client entities
MSN – Not a client, but is affiliated with certain client entities
Mueller Water Products Inc. – Not a client, but is affiliated with certain client entities
Natixis Bleichroeder Inc. – Not a client, but is affiliated with certain client entities
Natsis – If this is Natsis Family Restaurant, then not a client
New Edge – If this is New Edge Networks Inc., then not a client, but is affiliated with certain client entities
New England Power Company – Not a client, but is affiliated with certain client entities
New York Life Insurance Co. – Firm client
New York Life Investment Management – Firm client and affiliated with certain client entities
Newell Rubbermaid Inc. – Firm client
Newpage Corporation – Not a client, but is affiliated with certain client entities
NIBC Bank NV – Not a client, but is affiliated with certain client entities
Nokia Corporation – Not a client, but is affiliated with certain client entities
Nortek Holdings, Inc. – Not a client, but is affiliated with certain client entities
Northern State Power Company – Not a client, but is affiliated with certain client entities
Northwest Airlines, Inc. – Firm client and affiliated with certain client entities
Novartis Finance Corporation – Not a client, but is affiliated with certain client entities
NPL – Need more information
NRG Energy, Inc. – Firm client
NTL Cable Plc – Not a client, but is affiliated with certain client entities
NTL Communications Ltd. – Not a client, but is affiliated with certain client entities
Nuance Communications, Inc. – Not a client, but is affiliated with certain client entities
Nycomed Germany Holding GMBH – Not a client, but is affiliated with certain client entities
Nycomed Holding A/S – Not a client, but is affiliated with certain client entities
Occidental Power Services, Inc. – Not a client, but is affiliated with certain client entities
Oceania Cruises, Inc. – Not a client, but is affiliated with certain client entities
Oceania Vessel Finance, Ltd. – Not a client, but is affiliated with certain client entities
OCM Mezzanine Fund II Holdings, L.P. – Not a client, but is affiliated with certain client entities
OI Canada Corporation – Not a client, but is affiliated with certain client entities
OMX Timber Finance Investments – Not a client, but is affiliated with certain client entities
Oncor – If this is Oncor International, then not a client, but is affiliated with certain client entities
OneBeacon US Holdings – Not a client, but is affiliated with certain client entities
Openwave Systems Inc. – Firm client
Oracle Corporation – Firm client

Orangina – Not a client, but is affiliated with certain client entities
Orbitz Worldwide – Not a client, but is affiliated with certain client entities
Owens Illinois Inc. – Firm client
Oz Management LP – Not a client, but is affiliated with client Och Ziff Capital
Management Group
Pacific Investment Management LLC – Firm client and affiliated with certain client
entities
Pacific Summit Energy LLC – Not a client, but is affiliated with certain client entities
PacifiCorp – Not a client, but is affiliated with certain client entities
Pages Jaunes Groupe – Not a client, but is affiliated with certain client entities
PanAmSat Corporation – Firm client and affiliated with certain client entities
Pangea Ltd. A-12 – Need more information
Parmalat Participacoes Do Brasil Ltda – Not a client, but is affiliated with certain client
entities
Parmalat Participacoes Promissory Note – Not a client, but is affiliated with client
Coloniale SpA
Partnerre Ltd. – Not a client, but is affiliated with certain client entities
Pension Plan and Trust – Need more information
Pepsi Bottling Group, Inc. – Not a client, but is affiliated with certain client entities
Pharmerica Corporation – Not a client, but is affiliated with certain client entities
Philip Morris International Inc. – Firm client and affiliated with certain client entities
Philips Electronics NV – Not a client, but is affiliated with certain client entities
Pinnacle Entertainment, Inc. – Firm client
Pinnacle Foods Finance LLC – Not a client, but is affiliated with certain client entities
Pinnacle West Capital Corp. – Firm client
Pipeline Data, LLC – Firm client
Pivotal Promontory – Not a client, but is affiliated with certain client entities
Portland General Electric Company – Not a client, but is affiliated with certain client
entities
PQ Corporation – Firm client and affiliated with certain client entities
Primedia Inc. – Firm client and affiliated with certain client entities
Principal Financial Group, Inc. – Not a client, but is affiliated with certain client entities
Private Limited Company – Multiple listings, please provide more information
Protection One Alarm Monitoring, Inc. – Not a client, but is affiliated with certain client
entities
PSEG Power LLC – Not a client, but is affiliated with certain client entities
Psychiatric Solutions Inc. – Not a client, but affiliated with certain client entities
PT Mnc Sky Vision – If this is Sky Vision Corp., then not a client
Public Service Company of Colorado – Not a client, but is affiliated with certain client
entities
Public Service Enterprise Group Incorporated – Not a client, but is affiliated with certain
client entities
Qatar Liquefied Gas Company Limited – Not a client, but is affiliated with certain client
entities
QVC, Inc. – Not a client, but is affiliated with certain client entities

Ras Laffan Liquefied Natural Gas Company Limited (II) – Not a client, but is affiliated with certain client entities

RasGas – Not a client, but is affiliated with certain client entities

Raymond James & Associates, Inc. – Firm client and affiliated with certain client entities

RBC Dain Rauscher Inc. – Not a client, but is affiliated with certain client entities

RBS Greenwich Capital – Firm client and affiliated with certain client entities

Regency Gas Services LP – Not a client, but is affiliated with certain client entities

Regent Seven Seas Cruises – Not a client, but is affiliated with certain client entities

Reliant Energy Inc. A-13 – Not a client, but is affiliated with certain client entities

Rent-A-Center, Inc.– Firm client

Resona Holdings – Firm client and affiliated with certain client entities

Rexnord Corporation – Not a client, but is affiliated with certain client entities

Reynolds American – Not a client, but is affiliated with certain client entities

RH Donnelley – Not a client, but is affiliated with certain client entities

RJ Reynolds Tobacco Holdings, Inc. – Not a client, but is affiliated with certain client entities

Rockies Express Pipeline LLC – Not a client, but is affiliated with certain client entities

Roofing Holding Inc. – Need more information

Royal & Sun Alliance Insurance Group Plc – Firm client

Royal Bank of Canada – Firm client

RSA Insurance Group Plc – Firm client and affiliated with certain client entities

RWE AG – Not a client, but is affiliated with certain client entities

SABMiller Finance B.V. – Not a client, but is affiliated with certain client entities

Sabre Holdings Corporation – Firm client and affiliated with certain client entities

Sampo Bank PLC – Not a client, but is affiliated with certain client entities

Santander Investment Securities Inc. – Not a client, but is affiliated with certain client entities

SBA Senior Finance – Not a client, but is affiliated with certain client entities

Schefenacker AG – If this is Schefenacker International AG, then not a client

Scotia Capital (USA) Inc. – Not a client, but is affiliated with certain client entities

Sears Holdings Corp. – Not a client, but is affiliated with certain client entities

Sears Roebuck Acceptance Corp. – Not a client, but is affiliated with certain client entities

Sengent, Inc. -d/b/a ClariFI – Not a client, but is affiliated with certain client entities

Sequa Corporation – Firm client and affiliated with certain client entities

Serena Software, Inc. – Not a client, but is affiliated with certain client entities

Service Corp. Int'l – Not a client, but is affiliated with certain client entities

SG Americas Securities LLC – Not a client, but is affiliated with certain client entities

SHPS, Inc. – Not a client, but is affiliated with certain client entities

Siemens AG – Not a client, but is affiliated with certain client entities

Silicon Graphics Inc. – Firm client and affiliated with certain client entities

Silver Point Capital, LP – Firm client, but is affiliated with certain client entities

Six Flags Theme Parks Inc. – Firm client and affiliated with certain client entities

SLM Corporation – Not a client, but is affiliated with certain client entities

Solutia Inc. – Firm client

Somers Dublin Ltd. A/C KBC Pledged – If this is Somers Dublin Ltd., then not a client, but is affiliated with certain client entities
Sourcecorp, Inc. – Not a client, but is affiliated with certain client entities
Southern Company – Firm client
Southwestern Public Service Company – Not a client, but is affiliated with certain client entities
Spectra Energy Capital, LLC (fka Duke Capital) – Not a client, but is affiliated with certain client entities
Spectra Energy Partners OLP, LP – Not a client, but is affiliated with certain client entities
Spiegel Inc. – Not a client, but is affiliated with certain client entities
Standard Pacific – Firm client
Star Tribune Co. – Not a client, but is affiliated with certain client entities
Starwood Hotels & Resorts – Firm client and affiliated with certain client entities
Stephen Green – If this is Stephen L. Green of mortgage.com Inc., then firm client and affiliated with certain client entities
Stony Brook Court – Not a client, but is affiliated with certain client entities
Sumitomo Mitsui Financial Group – Not a client, but is affiliated with certain client entities
Sumitomo Trust & Banking – Firm client
SunAmerica Asset Management – Not a client, but is affiliated with certain client entities
Sungard Data Systems Inc. – Not a client, but is affiliated with certain client entities
Sunoco Inc. – Not a client, but is affiliated with certain client entities
Sunoco Logistics Partners Operations, LP – Not a client, but is affiliated with certain client entities
SunTrust Robinson Humphrey, Inc. – Firm client and affiliated with certain client entities
Supervalu Inc. – Firm client
Swiss Reinsurance Company – Firm client and affiliated with certain client entities
Synagro Technologies, Inc. – Not a client, but is affiliated with certain client entities
Synatech – Not a client, but is affiliated with certain client entities
Syncora – If this is Syncora Guarantee Inc., then firm client and is affiliated with certain client entities
Syncora Holdings Ltd. – Not a client, but is affiliated with certain client entities
Syniverse – Firm client
Syniverse Technologies – Firm client
Targa Resources, Inc. – Firm client
Target Corporation – Firm client
TD Securities (USA) LLC – Not a client, but is affiliated with certain client entities
Tembec – Not a client, but is affiliated with certain client entities
Tembec Industries Inc. – Not a client, but is affiliated with certain client entities
Teppco Partners, L.P. A-15 – Not a client, but is affiliated with certain client entities
Tesoro Corporation – Not a client, but is affiliated with certain client entities
Teva Hungary Pharmaceutical Marketing – Not a client, but is affiliated with certain client entities

Teva Pharmaceutical Works Company – Not a client, but is affiliated with certain client entities
TFS – Need more information
The Bank of New York – Firm client and affiliated with certain client entities
The Blackstone Group – Firm client and affiliated with certain client entities
The Carlyle Group – Firm client and affiliated with certain client entities
The Clorox Company – Firm client
The Commonwealth of Pennsylvania – Firm client
The Hartford Financial Services Group, Inc. – Firm client
The Hertz Corporation – Not a client, but is affiliated with certain client entities
The Home Depot, Inc. – Firm client
The Lightstone Group – Firm client
The McGraw-Hill Companies, Inc. – Firm client
The Neiman Marcus Group, Inc. – Not a client, but is affiliated with certain client entities
The Pemex Project Funding Master Trust – Not a client, but is affiliated with certain client entities
The Sports Authority, Inc. – Not a client, but is affiliated with certain client entities
The Williams Companies – Firm client
Toys R Us – Firm client and affiliated with certain client entities
Trans World Airlines Inc. – Firm client and affiliated with certain client entities
Transamerica Asset Funding Corp. I – Not a client, but is affiliated with certain client entities
Transdigm Inc. – Not a client, but is affiliated with certain client entities
Transocean Inc. – If this is TransOcean Capital Inc., then not a client
Travelport 2nd A&R – Not a client, but is affiliated with certain client entities
Travelport Holdings Ltd. – Not a client, but is affiliated with certain client entities
Travelport Inc. – Firm client and affiliated with certain client entities
Tribune Company – Firm client
Tropicana Entertainment – Not a client, but is affiliated with certain client entities
TRW Automotive Holdings Corp. – Not a client, but is affiliated with certain client entities
TRW Automotive Inc. – Not a client, but is affiliated with certain client entities
Turnberry Associates – Not a client, but is affiliated with certain client entities
Turnberry Retail Holding, L.P. – Not a client, but is affiliated with certain client entities
Turnberry/Centra Crossroads, LLC – Not a client, but is affiliated with certain client entities
Turnberry/Centra Development, LLC – Not a client, but is affiliated with certain client entities
Turnberry/Centra Office Sub, LLC – Not a client, but is affiliated with certain client entities
Turnberry/Centra Quad, LLC – Not a client, but is affiliated with certain client entities
Turnberry/Centra Sub, LLC – Firm client and affiliated with certain client entities
Turnberry/South Strip, LP – Not a client, but is affiliated with certain client entities
TXU / Texas Utilities – Not a client, but is affiliated with certain client entities
TXU Energy Company – Not a client, but is affiliated with certain client entities

Tyco Electronics – Firm client
Tyco International Group S.A. – Not a client, but is affiliated with certain client entities
Unicredito Italiano – Firm client
United Air Lines – Firm client and affiliated with certain client entities
United Components, Inc. – Not a client, but is affiliated with certain client entities
United of Omaha Life Insurance – Not a client, but is affiliated with certain client entities
United States Steel Corporation / US Steel Corp. – Firm client
United Surgical Partners International, Inc. – Not a client, but is affiliated with certain client entities
UnitedHealth Group IncA-16 – Not a client, but is affiliated with certain client entities
Univision Communications Inc. – Firm client and affiliated with certain client entities
US Airways Group, Inc. – Not a client; but is affiliated with entities related to client
US Investigations Services, Inc. – Not a client, but is affiliated with certain client entities
USAA Capital Corporation – Not a client but affiliated with certain client entities
USI Holdings Corp. – Not a client, but is affiliated with certain client entities
Utendahl Capital Partners, L.P. – Firm client and affiliated with certain client entities
Valero Energy Corporation – Not a client, but is affiliated with entities related to client
Van Gansewinkel Holding B.V. – Not a client, but is affiliated with certain client entities
Verint Systems Inc. – Not a client, but is affiliated with certain client entities
Verso Paper Holding LLC – Not a client, but is affiliated with certain client entities
Veyance Technologies, Inc. – Not a client, but is affiliated with certain client entities
Virginia Electric And Power Company – Not a client, but is affiliated with certain client entities
Vodafone Group Plc – Not a client, but is affiliated with certain client entities
Vornado Realty L.P. – Not a client, but is affiliated with certain client entities
Vought Aircraft Industries, Inc. – Not a client, but is affiliated with certain client entities
Walmart Stores – Firm client
Warburg Pincus Equity Partners L.P. – Not a client, but is affiliated with certain client entities
Washington Metro – If this is Washington Metro Area Transportation Authority, then not a client
WCI Capital Corp. – Not a client, but is affiliated with certain client entities
WCI Communities – Not a client, but is affiliated with certain client entities
Wellpoint Inc. – Firm client
Wells Fargo Bank Minnesota – Not a client, but is affiliated with certain client entities
Wesco Aircraft Hardware Corp. – Not a client, but is affiliated with certain client entities
White Mountains Insurance Group, Ltd. – Not a client, but is affiliated with certain client entities
William Capital Group, L.P. – Firm client
Wilmar Landco LLC – If this is Wimar Landco, then not a client, but is affiliated with certain client entities
Wimar Opco – Not a client, but is affiliated with certain client entities
Winstar – If this is WinStar Communications Inc., then firm client and affiliated with certain client entities

Wisconsin Electric Power Company – Firm client and affiliated with certain client entities

Wisconsin Energy Corporation – Not a client, but is affiliated with certain client entities

Wisconsin Gas LLC (f/ka Wisconsin Gas Company) – Not a client, but is affiliated with certain client entities

Wisconsin Power And Light Company – Not a client, but is affiliated with certain client entities

WMG Acquisition Corp. – Not a client, but is affiliated with certain client entities

Wolters Kluwer NV – Not a client, but is affiliated with certain client entities

Woodmark – Not a client, but is affiliated with certain client entities

Wyeth – Firm client

Xcel Energy Inc. – Not a client, but is affiliated with certain client entities

Xerox Corporation – Firm client

XL Capital – Not a client, but is affiliated with certain client entities

XL Specialty Insurance Company A-I7 – Not a client, but is affiliated with certain client entities

XLCA Admin, LLC – Not a client, but is affiliated with certain client entities

Yankee Candle Company, Inc. – Not a client, but is affiliated with certain client entities

Selected Derivative Counterparties

Advanced Micro Devices, Inc. – Firm client

Allison Transmission – Not a client, but is affiliated with certain client entities

American Investor Life Insurance Company – Not a client, but is affiliated with certain client entities

Aviva Life Insurance Company – Not a client, but is affiliated with certain client entities

Aviva Live & Annuity Company – Not a client, but is affiliated with certain client entities

Consolidated Container Company LLC – Need more information

Dollar General Corporation – Not a client, but is affiliated with certain client entities

Government of Singapore Investment Corp. – Not a client, but is affiliated with certain client entities

Houghton Mifflin Harcourt Publishing Company – Not a client, but is affiliated with certain client entities

Indianapolis Life Insurance Company (Inc.) – Not a client, but is affiliated with certain client entities

ING Life Insurance & Annuity Company – Not a client, but is affiliated with certain client entities

ING USA Annuity & Life Insurance Company – Not a client, but is affiliated with certain client entities

Intel Corporation – Firm client

Irish Life & Permanent PLC – Not a client, but is affiliated with certain client entities

Life Investors Insurance Company of America – Not a client, but is affiliated with certain client entities

Ministry of Finance Italy – Not a client, but is affiliated with certain client entities

Monumental Life Insurance Company (Inc.) – Not a client, but is affiliated with certain client entities
New York Life & Annuity Insurance Corporation – Not a client, but is affiliated with certain client entities
New York Life INS & Annuity Corp. Private Placi – Not a client, but is affiliated with certain client entities
New York Life Insurance Company Inc. – Firm client
Pacific Life & Annuity Co. – Not a client, but is affiliated with certain client entities
Pacific Lifecorp – Not a client, but is affiliated with certain client entities
Pinnacle Foods Finance LLC – Not a client, but is affiliated with certain client entities
Principal Financial Services Inc. – Not a client, but is affiliated with certain client entities
Reliastar Life Insurance Company – Not a client, but is affiliated with certain client entities
Reliastar Life Insurance Company of New York – Not a client, but is affiliated with certain client entities
Riversource Life Insurance Company of New York – Not a client, but is affiliated with certain client entities
Russell Implementation Services Inc. – Not a client, but is affiliated with certain client entities
Russell Investment Group – Not a client, but is affiliated with certain client entities
Security Life of Denver Insurance Company – Firm client and affiliated with certain client entities
Security Life of Denver Insurance Company Inc. – Firm client and affiliated with certain client entities
Sunamerica Life Insurance Company – Not a client, but is affiliated with certain client entities
Transamerica Financial Life Insurance Co. – Not a client, but is affiliated with certain client entities
Transamerica Occidental Life Insurance Co. – Firm client and affiliated with certain client entities
Veyance Technologies, Inc. – Not a client, but is affiliated with certain client entities

Principal Investments

Varel Funding Corp. – Not a client, but is affiliated with certain client entities
Varel International Ind., L.P. – Not a client, but is affiliated with certain client entities
Pegasus International, Inc.– Firm client
JFB Firth Rixson, Inc. – Not a client, but is affiliated with certain client entities
Firth Rixson Limited – Not a client, but is affiliated with certain client entities
JFB Overseas Holdings Limited – Not a client, but is affiliated with certain client entities

Potential Parties in Interest

ACE America Insurance Company – Not a client, but is affiliated with certain client entities

Advanced Portfolio Technologies, Inc. – Not a client, but is affiliated with a Firm client
AllianceBernstein LP – Client
Arthur T. Bent c/o Reserve Management Company – Not a client, but is affiliated with a Firm client
Automated Securities Clearance LLC (f/k/a SunGard Expert Solutions Inc) - Not a client, but is affiliated with a Firm client
Aviva Investors North America Inc. – Not a client, but is affiliated with certain client entities
Baker & Hostetler LLP – Firm client
Banc of America Securities LLC – Firm client
Baxter International – Not a client, but is affiliated with certain client entities
Black River Asia Fund Ltd. – Not a client, but is affiliated with certain client entities
Black River Commodity Select Fund Ltd. – Not a client, but is affiliated with certain client entities
Black River EMCO Master Fund Ltd. – Not a client, but is affiliated with certain client entities
Black River Emerging Markets Credit Fund Ltd. – Not a client, but is affiliated with certain client entities
Black River Emerging Markets Fixed Income Fund Ltd. – Not a client, but is affiliated with certain client entities
Black River Global Credit Fund Ltd. – Not a client, but is affiliated with certain client entities
Black River Global Investments Fund Ltd. – Not a client, but is affiliated with certain client entities
Blue Chip Multi-Strategy Master Fund LP – Not a client, but is affiliated with certain client entities
Bruce R. Bent – Not a client, but is affiliated with a Firm client
Bunge SA – Not a client, but is affiliated with a Firm client
Cadwalader, Wickersham & Taft LLP – Firm client
Citadel Equity Fund, Ltd. – Not a client, but is affiliated with a Firm client
Citibank International Plc – Firm client
Citigroup Global Market Limited – Need more information; if this is Citigroup Global Markets Limited, then Firm client
Commonwealth Bank of Australia – Firm client
Countrywide Home Loans – Firm client
Credit Suisse Loan Funding LLC – Not a client, but is affiliated with certain client entities
Credit Suisse Securities (USA) LLC – Firm client
D.E. Shaw Dihedral Portfolios, L.L.C. – Not a client, but is affiliated with certain client entities
Delek US Holdings Inc. – Not a client, but is affiliated with a Firm client
Denver Public Schools Retirement System – Not a client, but is affiliated with a Firm client
DEPFA Bank PLC – Not a client, but is affiliated with certain client entities

Dresdner Kleinwort Group Holdings LLC – If this is Dresdner Kleinwort Group Holdings LLC, then not a client, but is affiliated with certain client entities
Deutsche Bank National Trust Company – Not a client, but is affiliated with certain client entities
Deutsche Pfandbriefbank AG – Not a client, but is affiliated with certain client entities
Don Engel – Need more information
Drawbridge Global Macro Commodities Ltd. – Not a client, but is affiliated with certain client entities
DuPont Capital Management – Not a client, but is affiliated with certain client entities
EAC Partners Master Fund, Ltd. – Not a client, but is affiliated with certain client entities
Edward Jones – Need more information; may be affiliated with client PMB Holdings Ltd.
Ellington Credit Fund, Ltd. – Not a client, but is affiliated with a Firm client
Ellington Mortgage Fund S/C, Ltd. – Not a client, but is affiliated with a Firm client
Ellington Mortgage Partners, LP – Not a client, but is affiliated with a Firm client
Ellington Special Opportunities Ltd. – Not a client, but is affiliated with a Firm client
EM Opportunities Bond Fund, Inc. – Not a client, but is affiliated with certain client entities
eni S.p.A. (f/k/a Societa Finanziaria Eni S.p.A.) – Firm client
Eurohypo AG, New York Branch – Not a client, but is affiliated with certain client entities
Evergreen Core Bond Trust – Not a client, but is affiliated with certain client entities
Evergreen Income Advantage Fund – Not a client, but is affiliated with certain client entities
Evergreen Intermediate Bond Trust – Not a client, but is affiliated with certain client entities
Evergreen Long Duration Trust – Not a client, but is affiliated with certain client entities
Evergreen Multi-Sector Income Fund – Not a client, but is affiliated with certain client entities
Evergreen Select High Yield Bond Trust – Not a client, but is affiliated with certain client entities
Export Development Canada – Not a client, but is affiliated with certain client entities
Federal National Mortgage Association – Firm client
Fidelity Balanced Fund – Not a client, but is affiliated with certain client entities
Global Opportunity Master Fund, Ltd. – Need more information; if this is TRG Global Opportunity Master Fund Ltd. then not a client, but is affiliated with a Firm client
GMAC Mortgage, LLC – Firm client
GoldenTree Master Fund II, Ltd. – Not a client, but is affiliated with certain client entities
GoldenTree Master Fund, Ltd. – Not a client, but is affiliated with certain client entities
Groupama Asset Management – Not a client, but is affiliated with a Firm client
GTAM Fund I, Ltd. – Not a client, but is affiliated with certain client entities
Hakone Fund II – Not a client, but is affiliated with certain client entities
Holland & Knight LLP – Firm client
Horizon II International Limited – Not a client, but is affiliated with certain client entities
HSBC Bank PLC – Not a client, but is affiliated with certain client entities

HSH Nordbank AG, Luxembourg Branch – Not a client, but is affiliated with certain client entities
Hybrid Capital K.K. – Not a client, but is affiliated with certain client entities
Hypo Alpe-Adria Bank International AG – Not a client, but is affiliated with certain client entities
ING Life Insurance and Annuity Company – Not a client, but is affiliated with certain client entities
Inter-American Development Bank – Firm client
International Bank for Reconstruction and Development – Not a client, but is affiliated with certain client entities
Internationale Kapitalanlagegesellschaft mbH – Not a client, but is affiliated with certain client entities
Intersil Europe SaRL, Inc. – Not a client, but is affiliated with certain client entities
Intersil Holding GmbH – Not a client, but is affiliated with certain client entities
Intersil Investment Company – Not a client, but is affiliated with certain client entities
Investec Capital Accumulator – Not a client, but is affiliated with certain client entities
Investec Funds Series IV - Capital Accumulator Fund – Not a client, but is affiliated with certain client entities
Katten Muchin Rosenman LLP – Not a client, but is affiliated with certain client entities
KfW (a/k/a Kreditanstalt fuer Wiederaufbau) – Firm client
King Street Capital, L.P. – Not a client, but is affiliated with a Firm client
King Street Capital Master Fund, Ltd. – Not a client, but is affiliated with a Firm client
Kle Euribor Prime – Need more information; if this is BNP Paribas Kle Euribor Prime, then not a client, but affiliated with certain client entities
LBBW Asset Management Investmentgesellschaft MBH – Not a client, but is affiliated with certain client entities
LibertyView Arbitrage Fund, L.P. – Not a client, but is affiliated with certain client entities
LibertyView Capital Management, LLC – Firm client
LibertyView Credit Opportunities Fund – Not a client, but is affiliated with certain client entities
LibertyView Credit Select Fund, L.P. – Not a client, but is affiliated with certain client entities
LibertyView Focus Fund, L.P. – Not a client, but is affiliated with certain client entities
LibertyView Funds, L.P. – Not a client, but is affiliated with certain client entities
Longacre Master Fund II, L.P. – Not a client, but is affiliated with certain client entities
Lusardi Construction Company – Firm client
M&G Investment Management Limited (as Investment Advisor to Stichting Shell Pensioenfonds, M&G Secured Debt Fund Limited, M&G Dynamic European Loan Fund Limited, and The Prudential Assurance Company Limited) – Not a client, but is affiliated with certain client entities
Stichting Shell Pensioenfonds – Not a client, but is affiliated with certain client entities
M&G Secured Debt Fund Limited – Not a client, but is affiliated with certain client entities

M&G Dynamic European Loan Fund Limited – Not a client, but is affiliated with certain client entities
Prudential Assurance Company Limited – Firm client
Marfin Popular Bank Public Company – Not a client, but is affiliated with certain client entities
Merrill Lynch International – Firm client
MicroHedge LLC – Not a client, but is affiliated with a Firm client
Millenium Management, LLC – Not a client, but is affiliated with certain client entities
Millenium USA, L.P. – Not a client, but is affiliated with certain client entities
Mintz Levin Cohn Ferris Glovsky and Popeo, P.C. – Firm client
Morgan Stanley & Co. International plc – Firm client
Morgan Stanley Senior Funding, Inc. – Firm client
Mount Kellett Master Fund II, L.P. – Not a client, but is affiliated with a Firm client
National Power Corporation – Need more information; if this is National Power Corporation based in Raleigh, NC, then not a client. If this is National Power Corp. related to the Republic of the Philippines, then not a client, but is affiliated with certain client entities.
New York Institute of Finance, Inc. – Not a client, but is affiliated with certain client entities
Nomura Capital Markets plc – Not a client, but is affiliated with certain client entities
NorthStar Real Estate Securities Opportunity Master Fund L.P. – Not a client, but is affiliated with certain client entities
Oaktree Capital Management, L.P. – Firm client
Oaktree High Yield Plus Fund, L.P. – Not a client, but is affiliated with certain client entities
Oaktree Huntington Investment Fund, L.P. – Not a client, but is affiliated with certain client entities
Oaktree Opportunities Fund VIII Delaware, L.P. – Not a client, but is affiliated with certain client entities
OCM Opportunities Fund VIIb Delaware, L.P. - Not a client, but is affiliated with certain client entities
Onex Debt Opportunity Fund, Ltd. – Not a client, but is affiliated with certain client entities
Orrick, Herrington & Sutcliffe LLP – Firm client
Palmyra Capital Fund, L.P. – Not a client, but is affiliated with a Firm client
Palmyra Capital Institutional Fund, L.P. – Not a client, but is affiliated with a Firm client
Palmyra Capital Offshore Fund, L.P. – Not a client, but is affiliated with a Firm client
Pennsylvania Public School Employees' Retirement System – Not a client, but is affiliated with certain client entities
Perella Weinberg Partners LP – Firm client
Perry Partners International, Inc. – Not a client, but is affiliated with certain client entities
Perry Partners L.P. – Not a client, but is affiliated with certain client entities
Phoenix Life Limited – Not a client, but is affiliated with certain client entities
PIMCO Real Return Fund – Not a client, but is affiliated with certain client entities
PIMCO Real Return Fund (M) – Not a client, but is affiliated with certain client entities

Power Sector Assets & Liabilities Management Corporation – Not a client, but is affiliated with certain client entities

Public Employees' Retirement Association of Colorado – Not a client, but is affiliated with a Firm client

Quadrifoglio Vita S.p.A. – Not a client, but is affiliated with certain client entities

Quantitative Enhanced Decisions Master Fund – Not a client, but is affiliated with certain client entities

R3 Capital Partners Master, LP – Not a client, but is affiliated with certain client entities

Reserve Management Company Inc. – Not a client, parent Reserve Fund is a Firm client

Right Management, Inc. – Not a client, but is affiliated with certain client entities

Rogge Global Partners PLC (on behalf of its customers) – Not a client, but is affiliated with certain client entities

Sarasin Investmentfonds – Not a client, but is affiliated with certain client entities

SAS Institute Inc. – Not a client, but is affiliated with a Firm client

Serengeti Overseas Ltd. – Not a client, but is affiliated with a Firm client

Serengeti Partners LP – Not a client, parent Serengeti Asset Management LP is a Firm client

Serengeti Rapax MM LP – Not a client, but is affiliated with a Firm client

Sidley Austin LLP – Firm client

SPCP Group, L.L.C. (agent for Silver Point Capital Fund, L.P. and Silver Point Capital Offshore Fund, Ltd.) – Not a client, but is affiliated with certain client entities

Silver Point Capital Fund, L.P. – Not a client, but is affiliated with certain client entities

Silver Point Capital Offshore Fund, Ltd. – Not a client, but is affiliated with certain client entities

Standard Bank Plc – Not a client, but is affiliated with certain client entities

Standard Chartered Bank (Hong Kong) Limited – Firm client

Stephoe & Johnson LLP – Firm client

Strategic Value Master Fund, Ltd. – Not a client, but is affiliated with certain client entities

SunCal Debtors – Not a client, but is affiliated with certain client entities

SunGard Assent LLC – Not a client, but is affiliated with a Firm client

SunGard Data Reference Solutions, LLC – Not a client, but is affiliated with a Firm client

SunGard KiodeX, Inc. – Not a client, but is affiliated with a Firm client

SunGard Securities Finance LLC – Not a client, but is affiliated with a Firm client

Systema Vita Compagnia di Assicurazioni S.p.A. – Need more information; if this is Systema Vita Compagnia di Assicurazioni, then not a Firm client

Taconic Market Dislocation Fund II, L.P. – Not a client, but is affiliated with a Firm client

Taishin International Bank – Firm client

Tata Communications Services (America) Inc. f/k/a VSNL America Inc. – Not a client, but is affiliated with certain client entities

Tennenbaum Multi Strategy Master Fund – Not a client, but is affiliated with certain client entities

The Bank of New York Corporate Trustee Services Limited – Not a client, but is affiliated with certain client entities
The Primary Fund of the Reserve Fund – Not a client, but is affiliated with a Firm client
The Reserve International Liquidity Fund – Not a client, but is affiliated with a Firm client
The Reserve Yield Plus Fund – Not a client, but is affiliated with a Firm client
The Seaport Group LLC – Firm client
Tiffany & Co. – Firm client
Tishman Speyer Real Estate Venture VII, L.P. – Not a client, but is affiliated with certain client entities
Tobacco Settlement Financing Corporation – Need more information
TPG-Axon Partners (Offshore) Ltd. – Not a client, but is affiliated with certain client entities
TPG-Axon Partners, LP – Not a client, but is affiliated with certain client entities
TRG Global Opportunity Master Fund, Ltd. – Not a client, but is affiliated with a Firm client
TRG Local Currency Opportunity Master Fund, Ltd. – Not a client, but is affiliated with a Firm client
Tudor Global Emerging Markets Portfolio, L.P. – Not a client, but is affiliated with certain client entities
Union Investment Privatfonds GmbH – Not a client, but is affiliated with certain client entities
US Bus Pension Scheme – Need more information
Varde Investment Partners, L.P. – Not a client, but is affiliated with certain client entities
Victoria Reinsurance Company Ltd. – Not a client, but is affiliated with certain client entities
Viktoiaplatz – Need more information
Virtual Expo – Need more information
Western Asset UK GBP Credit Plus Bond Fund – Not a client, but is affiliated with certain client entities
William Kuntz, III – Not a client, unless this is William R. Kuntz who is not a client, but is affiliated with client Chart House Enterprises Inc.
Xicor, LLC – Not a client, but is affiliated with certain client entities

Professionals Retained by the Company

Bih Li & Lee – Firm client

Litigation Claimants

American Family Life Assurance Company Of Columbus – Not a client, but is affiliated with a Firm client
Bank of America Trust and Banking Corporation (Cayman) Limited – Not a client, but is affiliated with certain client entities
Metropolitan West Low Duration Bond Fund – Not a client, but is affiliated with certain client entities

Nomura Global Financial Products Inc. – Not a client, but is affiliated with certain client entities

PNC Bank, National Association – Firm client

Prudential Global Funding LLC – Not a client, but is affiliated with certain client entities

Committee Members

U.S. Bank N.A. – Firm client

Principal Investments

Applebees – Not a client, but is affiliated with certain client entities

Hilton Hotels Corporation n/k/a Hilton Worldwide, Inc. – Firm client

LIM – Need more information

Pinnacle Entertainment Corp. – Firm client

Regents – Need more information

SBS – Need more information

Sheridan Healthcare – Not a client, but is affiliated with certain client entities

Universal Pegasus – Need more information; if this is Universal Pegasus, then not a client, but is affiliated with certain client entities

Veyance – Need more information; if this is Veyance Technologies Inc., then not a client, but is affiliated with certain client entities

Vought – Need more information; if this is Vought Aircraft Industries Inc., then not a client, but is affiliated with certain client entities

Yankee Candle – Not a client, but is affiliated with certain client entities

Exhibit 2

**Additional Interested Parties or Their Affiliates Whom the Firm Represents
or Has Represented in the Past in Matters Related to
the Debtors or Their Affiliates**

Aurora Bank FSB f/k/a Lehman Brothers Bank FSB – Firm client

Amadeus Holdings Limited – Not a client, but is affiliated with client Lehman Brothers Holdings Inc.

BNC Mortgage Loan Trust – Not a client, but is affiliated with client Lehman Brothers Holdings Inc.

Lehman Brothers Bankhaus AG – Not a client, but is affiliated with client Lehman Brothers Holdings Inc.

Lehman Brothers European Mezzanine LB S.A.R.L – Not a client, but is affiliated with client Lehman Brothers Holdings Inc.

Lehman Brothers Income Funds – Not a client, but is affiliated with client Lehman Brothers Holdings Inc.

Lehman Mortgage Trust – Not a client, but is affiliated with client Lehman Brothers Holdings Inc.

Lehman XS Trust – Not a client, but is affiliated with client Lehman Brothers Holdings Inc.

Woodlands Commercial Bank f/k/a Lehman Brothers Commercial Bank – Not a client, but is affiliated with client Lehman Brothers Holdings Inc.

Frederic Verhoeven, Trustee for Lehman Brothers Treasury Co. B.V. – Not a client, but is affiliated with client Lehman Brothers Holdings Inc.

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X	:	
In re	:	Chapter 11 Case No.
	:	
LEHMAN BROTHERS HOLDINGS INC., <i>et al.</i> ,	:	08-13555 (JMP)
	:	
Debtors.	:	(Jointly Administered)
	:	
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**ORDER PURSUANT TO SECTION 327(e) OF THE
BANKRUPTCY CODE AND RULE 2014 OF THE FEDERAL
RULES OF BANKRUPTCY PROCEDURE FOR AUTHORIZATION TO
EMPLOY AND RETAIN PAUL, HASTINGS, JANOFSKY & WALKER LLP, AS
SPECIAL COUNSEL TO THE DEBTORS, NUNC PRO TUNC TO MARCH 1, 2010**

Upon consideration of the application, dated July 23, 2010 (the "Application"),¹ of Lehman Brothers Holdings Inc. ("LBHI") and its affiliated debtors in the above-referenced chapter 11 cases, as debtors and debtors-in-possession (collectively, the "Debtors"), pursuant to section 327(e) of chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"), Rule 2014(a) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rule 2014-1 of the Local Bankruptcy Rules for the Southern District of New York (the "Local Rules"), to employ and retain Paul, Hastings, Janofsky & Walker LLP ("Paul Hastings") as special counsel to the Debtors, effective *nunc pro tunc* to March 1, 2010, all as more fully described in the Application; and upon the Affidavit of Robert M. Keane, Jr. (the "Keane Affidavit"), filed in support of the Application; and the Court being satisfied, based on the representations made in the Application and the Keane Affidavit, that, except as provided therein, Paul Hastings represents no interest adverse to the Debtors or the Debtors' estates with respect to the matters upon which it is to be engaged, under section 327 of the Bankruptcy Code as modified by section

¹ Capitalized terms that are used but not defined in this order have the meanings ascribed to them in the Application.

1107(b); and the Court having jurisdiction to consider the Application and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334 and the Standing Order M-61 Referring to Bankruptcy Judges for the Southern District of New York Any and All Proceedings Under Title 11, dated July 10, 1984 (Ward, Acting C.J.); and consideration of the Application and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Application having been provided in accordance with the procedures set forth in the amended order entered February 13, 2009 governing case management and administrative procedures [Docket No. 2837] to (i) the United States Trustee for the Southern District of New York; (ii) the attorneys for the Official Committee of Unsecured Creditors; (iii) the Securities and Exchange Commission; (iv) the Internal Revenue Service; (v) the United States Attorney for the Southern District of New York; and (vi) Paul Hastings, and it appearing that no other or further notice need be provided; and the Court having found and determined that the relief sought in the Application is in the best interests of the Debtors, their estates and creditors, and all parties in interest and that the legal and factual bases set forth in the Application establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefore, it is

ORDERED that the Application is approved; and it is further

ORDERED that pursuant to section 327(e) of the Bankruptcy Code, the Debtors are hereby authorized to employ and retain Paul Hastings as special counsel to the Debtors, effective *nunc pro tunc* to March 1, 2010 on the terms set forth in the Application and this order for the Representative Matters identified in the Application and in accordance with Paul Hastings' customary rates in effect from time to time and its disbursement policies; and it is further

ORDERED that Paul Hastings shall, solely with respect to fees and expenses to be paid to Paul Hastings by the Debtors (as opposed to non-debtor entities) in excess of \$1 million, apply for compensation and reimbursement of expenses in accordance with the procedures set forth in sections 330 and 331 of the Bankruptcy Code, applicable Bankruptcy Rules, the Local Rules and orders of the Court, guidelines established by the U.S. Trustee, and such other procedures that have been or may be fixed by order of this Court, including but not limited to the Court's Third Amended Order Pursuant to Sections 105(a) and 331 of the Bankruptcy Code and Bankruptcy Rule 2016(a) Establishing Procedures for Interim Monthly Compensation and Reimbursement of Expenses of Professionals [Docket No. 4165] and the Court's Order Appointing a Fee Committee and Approving a Fee Protocol [Docket No. 3651].

Dated: August __, 2010
New York, New York

UNITED STATES BANKRUPTCY JUDGE